

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 23 May, 1985.

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 Government House Leader.

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

I have Return to Order of the House No. 18, on the motion of the Honourable Member for Niakwa.

Mr. Speaker, I have one copy here; the Clerk has additional copies.

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

**HON. J. STORIE:** Mr. Speaker, it's my privilege to table the 1983-84 Annual Report for Manfor.

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

**HON. L. DESJARDINS:** Mr. Speaker, I'm pleased to table the Report of the Manitoba Nursing Review Committee that I received from the committee this morning.

**MR. SPEAKER:** Notices of Motion . . . Introduction of Bills . . .

### 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 9 standing from the Sisler High School under the direction of Mr. Brown. The school is in the constituency of the Honourable Member for Inkster.

There are 24 students of Grade 11 standing from the Ashern Central School under the direction of Mr. Moroz, and the school is in the constituency of the Honourable Minister of Agriculture.

There are 30 students of Grade 11 standing from the Murdoch MacKay School under the direction of Mr. Ptashinski, and the school is in the constituency of the Honourable Minister of Energy and Mines.

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

### ORAL QUESTIONS

#### Rosaire House - cutback in funding

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

**MR. G. FILMON:** Thank you, Mr. Speaker.

My question is for the Honourable Minister of Health and falls upon reports that Rosaire House at The Pas, a centre that has been used for temporary lodging for people under The Intoxicated Persons Detention Act, has as a result of cutbacks closed that section of the house that would be used on a short-term basis for these people.

I wonder if the Minister could indicate why, and why his department has cut the funds for this important purpose.

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

**HON. L. DESJARDINS:** Mr. Speaker, if my honourable friend wants to know why, he'd have to ask those that closed the house or are causing it to close. There has been no cutback this year in the grants.

I would like to say though that at this time the priorities of the Alcoholism Foundation are to treat patients, not necessarily to provide shelter because of the change in the act.

Now, the act will enable certain municipalities to make certain rulings. It is not compulsory. It is optional, and if the municipalities decide to do that, it is our contention that some of the responsibility of providing shelter for their people is there. Now these discussions are going on and there's been zero increase, but no cutbacks from last year.

**MR. G. FILMON:** Mr. Speaker, due to the fact that the Premier has complained against offloading of costs from the Federal Government to the province in certain instances, why is it now that the province is offloading costs from the province, that were formerly picked up by a provincial agency, onto a municipal jurisdiction?

**HON. L. DESJARDINS:** Mr. Speaker, if my honourable friend wants to listen carefully and watch carefully this evening, it might be that we might have good news and I might be able to announce tomorrow that we could provide some of these funds, if the Federal Government does their part.

**MR. G. FILMON:** Mr. Speaker, I wonder if the Minister of Health would consider appealing to his Premier to take some of the \$4 million in advertising costs that are committed by this government for this year, and allocate some \$25,000 or \$30,000, so that Rosaire House could continue to have people on a short-term detention basis for this purpose.

**HON. L. DESJARDINS:** I guess my honourable friend means not follow their advice or what they did when they were in power, when they were advertising those grocery carts for an 80 cent increase - I think on minimum income - 80 cents running around with a cart. Remember that ad?

**MR. G. FILMON:** Mr. Speaker, my question is to the Premier. Would he not consider reallocating, on a priority basis, some of the funds that his government is intending to spend on advertising, so that Rosaire House could continue to be used on a short-term detoxification detention centre?

**MR. SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Mr. Speaker, here we have a program which the Honourable Minister of Health has indicated there has been no reduction by way of funding to the Alcoholism Foundation of Manitoba, and therefore the honourable member should take his concerns up with the AFM, but let the honourable member not suggest it's been because of a reduction in funding, unlike what took place, federal and provincial, which the honourable members made reference to in respect to offloading. This is not a case in which there has been a 5 percent reduction by way of transfer payments from the Federal Government to the province and there's been no such reduction onto the agencies.

**MR. G. FILMON:** In view of the fact that the administrator of the centre, Mr. Patmore, said that the 1984-85 Budget for the House was cut to \$469,000 from \$495,000, is that not a cutback in the eyes of the Premier?

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

**HON. L. DESJARDINS:** Mr. Speaker, the cut was not this year. There was a cut last year . . .

**A MEMBER:** Oh.

**HON. L. DESJARDINS:** Wait a minute. They had a surplus that they were allowed to keep, they were told to prioritize, like every other institution and any group. I guess they felt that we weren't serious, that at the last minute we could provide these funds. The policy this year has been zero increase in most instances, and this is what happened in this instance.

### Income tax collection - possible proposal by province

**MR. SPEAKER:** The Leader of the Opposition.

**MR. G. FILMON:** Mr. Speaker, my question is for the Premier. He's quoted today as saying that the province is considering having its own income tax collection system. I wonder if he could indicate whether he knows what that might cost the province to go its own on the income tax collection system.

**MR. SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Mr. Speaker, what I indicated, if the honourable member had read carefully, is that we might reluctantly be compelled to consider such. If there is not initiative on the part of the Federal Government in Ottawa to ensure that there is greater job creation

as a result of today's Budget, if there is not an effort on the part of the Federal Government to deal with some of the tax loopholes as they presently exist - and I would hope, and I noticed the honourable member, by the way - and I must congratulate the honourable member - has received the support of the Prime Minister. I think he probably deserves congratulations from honourable members in the Chamber and possibly we should provide Frank Miller's phone number to the honourable member; it might be of some assistance.

Mr. Speaker, I wait with anticipation for the Budget tonight. I wait for the Budget tonight to see whether or not there is a serious effort to combat joblessness through economic and job thrusts; I look forward to see whether or not there is a conscious and deliberate effort to comply with the paper that was distributed at the Federal-Provincial Conference in February on the part of the Province of Manitoba, asking for elimination of the various loopholes that presently exist in the tax system. That's what we're looking for, Mr. Speaker. I think it's time that there be a proper response on the part of the Federal Government to tighten up these loopholes to resist the escape of billions of dollars from the tax system.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. G. FILMON:** Mr. Speaker, I think that the Premier is hallucinating again. Yesterday he was talking about "fourth world countries," today he's talking about Frank Miller's phone number. The question is, does he know how much it would cost for the province to go its own way for the income tax collection system?

**HON. H. PAWLEY:** You can be sure if there is a lack of initiative on the part of the Federal Government, we'll have a figure by which we can tell you what it would cost, Mr. Speaker. I am hoping that honourable members across the way would join some of their - in fact, even some of the other western Conservative leaders and join with us in urging that our taxation system be geared not towards creating more loopholes insofar as those in our society that escape taxation, but rather geared towards job creation and economic development. That's what the Honourable Leader of the Opposition has to answer; that's the position that the Honourable Leader of the Opposition should be taking rather than waffling all over the place in respect to taxation and economic policy.

**MR. G. FILMON:** My question to the Premier is, should the province decide to collect its own taxes, what reforms will that bring to the income tax system in Canada?

**MR. SPEAKER:** Order please, order please. The question is hypothetical.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** You haven't improved since yesterday, I'll tell you. You were bad then, you're worse today.

Mr. Speaker, my question for the Premier is and follows upon a comment he is alleged to have made, in which he said that consideration of constitutional . . .

**MR. SPEAKER:** Question.

**MR. G. FILMON:** In view of the fact that the Premier has apparently said that constitutional talks would divert attention from crucial economic issues and focus attention on language sores, my question to the Premier is, did he not consider that we had serious economic problems and concerns to give our attention to in 1983 and 1984 when he convulsed this province for over a year on a constitutional amendment to do with the language question?

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please. As well as being argumentative, the question seeks information about matters of historical interest. Oral Questions are supposed to be for the purpose of gaining information on somewhat urgent matters.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** Mr. Speaker, in referring to a proposal for constitutional amendment in Canada, the Premier is quoted as saying that our No. 1 priority must be employment and job creation.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Question.

**MR. G. FILMON:** Why was that not the Premier's No. 1 priority in 1983 and 1984 when he convulsed this province on a constitutional amendment on the language question?

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please, order please. Order please. That is the same question.

The Honourable Leader of the Opposition.

**A MEMBER:** He can ask it for 40 minutes without getting a reply . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** Mr. Speaker, the Premier is quoted as saying, during the time when we do have major economic dislocation, we run the risk of opening up historic language sores. Did we not have economic problems and high unemployment and difficulties with our economy in 1983 and 1984 when he brought . . .

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

I pointed out to the honourable member twice that he has asked the same question. I do not expect it to be asked a third time.

Oral Questions.

The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Speaker, I have a question for the Minister of Employment Services.

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

The Honourable First Minister on a point of order.

**HON. H. PAWLEY:** Mr. Speaker, I know that the Leader of the Opposition has had difficulty framing his question, but I'm wondering, with leave of the House, if I could respond despite the difficulties that the Leader of the Opposition has had in framing his question.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please.

Does the Honourable First Minister have leave?

Order please. Order please.

Leave having not been granted, the Honourable Member for Turtle Mountain.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** Mr. Speaker, perhaps this will enable the Premier to answer the question. The Premier is quoted today as saying that the economy and job creation are more important than constitutional reform and the language question. My question is, what has changed versus 1983-84, when he apparently did not share that view?

**HON. H. PAWLEY:** Mr. Speaker, I'm delighted that you did not see fit to rule that question out of order and, after three times out, now the Leader of the Opposition's apparently got his question right.

Mr. Speaker, the Honourable Leader of the Opposition has sat in this Chamber since November of 1981, and if the Leader of the Opposition had ears to hear and eyes to see, he would know that this New Democratic Party Government, unlike the Conservative Government of 1977-1981, has persistently throughout its term, put job creation and economic development as priority No. 1.

I have never, since I've been sitting in this Chamber since 1969, witnessed such an irresponsible group across the way that has never, never placed job creation as their No. 1 priority insofar as their position. Talk about convulsion, Mr. Speaker, that opposition's been in a state of convulsion ever since December 1, 1981, and still haven't been able to adjust from the convulsions they've gone through.

**MR. G. FILMON:** Mr. Speaker, that being the case then, why did he insist with his administration on spending more than a year pursuing a constitutional amendment on the language issue? Why?

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please.

The Honourable First Minister.

**HON. H. PAWLEY:** Mr. Speaker, let the Honourable Leader of the Opposition not attempt to erase history; let him not attempt to edit history. The convulsion, the delay, the procrastination, the indecision, rests solely over a period of one year on the part of the Leader of the Opposition and his colleagues in this Chamber.

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

**MR. F. JOHNSTON:** You're the one that backed down.

### Youth Business Start Program - approval of applications

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Speaker, I have a question for the Minister of Employment Services and Economic Security.

Can the Minister advise the House how many applications under the Youth Business Start Program have received approval?

**MR. SPEAKER:** The Honourable Minister of Employment Services.

**HON. L. EVANS:** Mr. Speaker, the honourable member asks a detailed question. I'll take the question as notice and provide the member with that information.

### Assessment regulations - super-insulated homes

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** A question to the Minister of Municipal Affairs. Has the Minister considered making a change to The Assessment Act or assessment regulations that would take away the penalty which is presently in place for people who build super-insulated homes?

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

**HON. A. ANSTETT:** Mr. Speaker, I have not given consideration to the removal of a penalty, Sir, because no such penalty exists. The assessment system is designed to assess homes on the basis of value and if a super-insulated home has greater value because it is super-insulated, it then has a higher assessment. That's not a penalty, Sir, that's a reflection of value.

### Cream quotas

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

**MR. A. DRIEDGER:** Thank you, Mr. Speaker.

My question is to the Minister of Agriculture. Many cream shippers in Manitoba have filled their quotas and are not allowed to ship their cream between now and the end of July without being penalized over 80 percent. They're not allowed to transfer from one shipper to the other. Can the Minister indicate whether he is prepared to intervene to help some of these people, many of whom rely on this as their main source of income?

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

**HON. B. URUSKI:** Mr. Speaker, the honourable member knows that the matter of quotas in terms of the setting

of quotas is not a matter directly under my jurisdiction. However, — (Interjection) — Mr. Speaker, the Milk Board of the province, the Milk Marketing Board in negotiations with the other Milk Marketing Boards and the Canadian Dairy Commission do set the Canadian dairy quota of which a portion of that quota is allocated for cream shippers. Mr. Speaker, this issue arose several times in the last number of years when the Milk Board, in fact, did not recognize the increasing production on the cream side having utilized that quota for the production of milk. As a result, there were, in fact, a year ago, problems in the cream industry.

The production of cream did drop off over the next number of months so the Milk Board thought that things were well in hand and the quota could remain quite open. However, Mr. Speaker, in the month of April, as I understand it, production of cream in this province has reached an all-time high and the Milk Board will have — (Interjection) — Well, Mr. Speaker, . . .

**MR. SPEAKER:** Order please.

**HON. B. URUSKI:** . . . Mr. Speaker, let the honourable members make light of a difficulty that many producers face in the cream industry. That's the kind of nonsense that we get from members opposite. Mr. Speaker, it is a . . .

**MR. SPEAKER:** Order please.

**HON. B. URUSKI:** . . . serious situation faced by many producers who are producing cream at a time when I understand that creameries would like to produce butter, there is a difficulty because of the national agreement, Mr. Speaker. We have not been asked by the Milk Board to assist in any negotiations, but we're certainly prepared to assist them.

**MR. A. DRIEDGER:** Mr. Speaker, to the same Minister. I thought the Minister of Agriculture was responsible for the Milk Producers Marketing Board. Can the Minister assure cream processors who require cream and are not allowed to take cream at the present time, that they will have that opportunity to take and buy cream from shippers so they do not have to pour it out on the ground or feed it to the pigs?

**HON. B. URUSKI:** Mr. Speaker, I think I should advise the honourable member the structure of marketing boards in this province.

Mr. Speaker, the producers of commodities have the opportunity to establish marketing boards. The boards are elected by the producers of that particular commodity. They operate under a particular piece of legislation. The setting of quotas internally to the industry is the responsibility of the board.

Mr. Speaker, there are two areas which the Province of Manitoba is responsible for - interprovincial agreements in terms of overall quota, in terms of those negotiations and the capitalization of quota in which the province has been involved.

Those are the two strict areas where my department, through the Natural Products Marketing Council, has been involved and, of course, appeals against rulings by marketing boards. Other than that, Mr. Speaker,

the boards are autonomous and operate their own industry as they, in terms of their judgment, see fit.

**MR. A. DRIEDGER:** Mr. Speaker, to the same Minister. Will this Minister assure cream producers and cream processors, because of the restriction that's put on them at the present time, that they will not be forced to bring in butter from Quebec to be sold to the people of Manitoba?

**HON. B. URUSKI:** Mr. Speaker, I certainly would be very concerned and that may be the case in — (interjection) — Mr. Speaker, now we have members of the opposition wanting the government to interfere in the workings of marketings boards. On one side of the question they want us to keep away, to keep our hands off the producers and the boards, and now when it's to their advantage, they want us to interfere in the workings of the board. They can't have it both ways.

Mr. Speaker, we will work with the boards if they wish us to assist them in terms of the national negotiations, but they can't have it both ways. When they want to, they want us to interfere; and when in fact something happens the other way, they want us to keep our hands off. Mr. Speaker, they can't have it both ways.

**MR. A. DRIEDGER:** Mr. Speaker, to the same Minister. Can the Minister indicate to the people of Manitoba that his Manitoba appointed Marketing Council has put a restriction on the transfer of quotas to the dairy producers of Manitoba?

**HON. B. URUSKI:** Mr. Speaker, the policy that is in place in the Province of Manitoba is the identical policy that was put into place in 1978 by the former Minister of Agriculture.

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

**MR. J. DOWNEY:** Mr. Speaker, I rise on a point of order to truly correct a statement that the Minister of Agriculture has just made. The point of order is that this House has been told that the current policy being administered is one which was administered under our administration prior to his term of office. If that were the case, we wouldn't be having the difficulties in the dairy industry that are now created under his government.

I have a question to the Minister of Agriculture, Mr. Speaker.

**MR. SPEAKER:** Order please. That was not a point of order. Does the honourable member have a question?  
The Honourable Member for Arthur.

**MR. J. DOWNEY:** Thank you, Mr. Speaker.

**HON. B. URUSKI:** Mr. Speaker, I rise on a point of order.

**MR. SPEAKER:** There is no point of order.  
The Honourable Member for Arthur.

**MR. J. DOWNEY:** Mr. Speaker, my question to the Minister of Agriculture is . . .

**HON. B. URUSKI:** Mr. Speaker, I rise on the same point of order that was raised by the member . . .

**MR. J. DOWNEY:** My question, Mr. Speaker . . .

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

**MR. J. DOWNEY:** Thank you, Mr. Speaker.

My question to the Minister of Agriculture is, in view of the fact that today in Manitoba we have many hardworking family farm people, milking cows, producing cream to ship to provide a daily income for their families and their needs; will the Minister of Agriculture become directly involved and allow those people to ship and sell their cream to creameries that need the cream, and, Mr. Speaker, to provide a necessary income for those people who are employed in the creameries as well? Will he become directly involved to provide and save the livelihoods of many young and older family farm people in this province?

**HON. B. URUSKI:** Mr. Speaker, when we hear members opposite speak about allowing everyone to produce as much as they want, let it be understood that what they are advocating is the demise of marketing boards and the orderly marketing structure in this province. That is what they are advocating.

So for those producers, Sir, who are in marketing boards and in supply-managed commodities with guaranteed incomes, the members of the Conservative Party are advocating the demise and the wrecking of the marketing boards, Mr. Speaker. Let them understand how marketing boards arose. And they talked about chickens when the chicken industry and the egg industry in this country was in chaos in the late 1960s, when everyone who was in egg production was leaving production. — (Interjection) — Well, they made comments and I want to answer those questions, because they raise certain allegations that are not factual, and what they are proposing, Sir, is the wrecking of orderly marketing in this province by the various statements that they are making.

There is a concern, and I am prepared to work with the Milk Marketing Board vis-a-vis the cream shippers of this province. This isn't the first time that this has occurred, when the Milk Marketing Board has not accurately projected what the production in cream would be in this province.

There is a global formula and Manitoba's producers are subject to that global formula. The assertion that somehow the non-transfer of quota between producers did the cream producers some harm, Mr. Speaker, I don't buy and it is not factual. It's total rubbish.

**MR. J. DOWNEY:** Mr. Speaker, in view of the fact that in Manitoba today, we have hardworking people producing an agricultural commodity, small farmers, who are unable to sell their commodity to the creameries of this province, why will the Minister of Agriculture not get involved and defend these small young operating farmers in this province?

**HON. B. URUSKI:** Mr. Speaker, the honourable member who happens to have been - and it's fortunate that he

isn't anymore - a Minister of Agriculture in this province should know the procedures used by the boards.

If there is a dispute between a producer and his marketing board, that dispute should be taken to the Natural Products Marketing Council, who will view the dispute and rule on that dispute in light of how the board has carried out its activities in the granting of quota or the quota application. The Natural Products Marketing Council is the appropriate body that would rule on those kinds of issues.

Mr. Speaker, we would be pleased and I would be pleased to have producers make those appeals to the Natural Products Marketing Council and let the council view them and see how the board has in fact carried out its quota allocation policy.

**MR. J. DOWNEY:** This question is to the First Minister. In view of the fact that his Minister of Agriculture will not stand up in defence of many family farm operators who are desperately trying to make a living in this province, will the First Minister replace his Minister of Agriculture?

**MR. SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Mr. Speaker, let it be clear if we compare the commitment, the dedication of this Minister of Agriculture under this government, and contrast . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

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

**HON. H. PAWLEY:** . . . that to the irresponsibility and do-nothingism of the previous Minister of Agriculture in this province from 1977 to 1981, let it be clear I have no problems of conscience in saying that I am proud of our Minister of Agriculture in this province and what he's doing in this province on behalf of the family farms.

**SOME HONOURABLE MEMBERS:** Oh, oh!

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

### **Federal Budget - consultation with Premier of Man.**

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

**MRS. D. DODICK:** Thank you, Mr. Speaker.

I have a question for the First Minister. Can the Premier inform this House as to whether or not he has been consulted on the development of today's Budget by the Federal Finance Minister, Michael Wilson, or the Deputy Premier, Erik Nielsen?

**MR. SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** I thank the Honourable Member for Riel for what is a very timely question in view of the commencement of the Budget Address, which I

believe will take place about 55 minutes from now in the House of Commons.

Mr. Speaker, I, of course, have not been consulted by the two gentlemen referred to by the member, but I would hope that the two gentlemen referred to would have read the submissions that were presented at the Valentine's Day Conference of Federal and Provincial First Ministers in Regina this year and would have carefully weighed the proposals of this New Democratic Party Government, that the No. 1 priority, Mr. Speaker, must be job creation and economic development in Canada in order to eliminate the some 1.4 million to 1.5 million that are jobless in this country, to which there had been a commitment made on September 4th that they would in fact find jobs. That's No. 1 commitment.

No. 2, Mr. Speaker, I would hope that the Minister of Finance would weigh the proposals that we made at the Valentine's Day meeting in respect to the urgent need for tax reform in this country; and particularly I would refer all honourable members to the document which was tabled in this House on May 16th in regard to tax reform, the tax reform paper that we submitted at the Grande Prairie Conference insofar as the need for tax reform in this country and I'm looking forward to the Budget announcement now 42 minutes distant.

### **Manitoba Hydro - compensation re damage from power surges**

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

**MR. C. MANNES:** Mr. Speaker, I address my question to the Acting Minister in charge of Manitoba Hydro.

Surveys indicate that well over a hundred of my constituents in and around the Ste. Agathe district have experienced major damage to their electrical appliances. In two unrelated situations, one constituent of mine had a bag of dog food that was leaning against an unused baseboard heater burst into flame. Another constituent had upwards of a dozen light bulbs explode within their house. The surge of voltage that has caused the damage was not directly related to lightning.

My question to the Minister, will Manitoba Hydro compensate the homeowners for their losses if human error can be shown to be the cause of this damage?

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

**HON. E. KOSTYRA:** Thank you, Mr. Speaker.

I'll take that question as notice and provide a report to the House as soon as I can get the information from Manitoba Hydro.

### **African countries - funding to**

**MR. SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Mr. Speaker, I would like to respond to the question that was presented to me yesterday by the Honourable Member for St. Norbert pertaining to the funding from the Province of Manitoba to the Ethiopian situation.

## Manfor - reason for delay in tabling annual report

All the funding has been done through MCIC. The total amount of funding has been \$98,297, plus those monies that would be made available as a result of the exemption of the sales tax in regard to the albums that are being sold in the Province of Manitoba.

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

**MR. G. MERCIER:** Mr. Speaker, I thank the First Minister for that answer. I would ask him, does he think \$98,000 is a fair and humane contribution from the Province of Manitoba towards the starving 30 million people in Africa?

**MR. SPEAKER:** Order please. The question seeks an opinion. Would the honourable member wish to rephrase his question to seek information?

The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, is the First Minister considering, on behalf of the Province of Manitoba and the people of Manitoba, making a more generous contribution towards the suffering and the starving that is going on in Africa?

**HON. H. PAWLEY:** Mr. Speaker, clearly no amount of money that can be raised in Manitoba or contributed by Manitobans or through the Government of the Province of Manitoba is sufficient in order to deal with the terrible ordeal that has been inflicted upon millions of famine victims, not only in Ethiopia but in Chad and Sudan and so many of the other countries of the world.

I don't know what is the proper measurement of what is sufficient or not. I think that what would be of interest when we talk about this is to join, maybe even to consider unanimously in this House, a resolution to the Federal Government urging that there not be a cutback insofar as federal aid is concerned insofar as the Third World countries. This is not the time to obviously cut back on aid to the Third or the Fourth World countries which are afflicted with famine and immense economic hardship.

Possibly, Mr. Speaker, the two House Leaders might want to consider a resolution that would voice the appropriate concern to those that are mainly responsible for foreign aid in Canada.

**MR. G. MERCIER:** Mr. Speaker, I would have hoped that the Premier would not have turned this question into some sort of an attack on another level of government in the country. I would have expected the First Minister to answer the question and state a position in a humane way, Mr. Speaker.

**MR. SPEAKER:** Order please.  
The Honourable First Minister on a point of order.

**HON. H. PAWLEY:** Mr. Speaker, I regret if any member, and obviously the Member for St. Norbert has interpreted my comments as an attack. It's not an attack, Mr. Speaker. It was a statement of fact and a statement by which I hope that all honourable members might be able to join hands by way of supporting a proposal that I think would be very very constructive to demonstrate the concerns of members in this House.

**MR. SPEAKER:** Order please. That may have been an explanation; it was not a point of order.

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

**MR. G. MERCIER:** Mr. Speaker, I have a question for the Minister responsible for Manfor, who tabled the Manfor Report in the Legislature today containing the Provincial Auditor's Report dated November 30, 1984. Could the Minister explain why it took the Chairman of Manfor until April 2, 1985 to send the report dated November 30, 1984, from the Provincial Auditor to him, as Minister, and why it took him from April 2nd to May 22nd to table this in the House?

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

**HON. J. STORIE:** Mr. Speaker, I recognize how urgently members opposite wanted the report and we altered some of the plans that were in process to develop a more extensive annual report, given their desire to have the pertinent information, made a decision to forward and table this particular report. If the member had been more patient, perhaps it could have been delivered in a different form.

**MR. SPEAKER:** The Honourable Member for Swan River.

**MR. D. GOURLAY:** Thank you, Mr. Speaker.

I have a question for the Minister responsible for Manfor.

Since the Minister has indicated that the consultant's report containing recommendations on the operation of Manfor has been made available to representatives of the CPU and IWA, would the Minister consider providing at least one copy to members on this side of the House?

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

**HON. J. STORIE:** No, Mr. Speaker. I have indicated to others that this particular report is a corporate document for use within the corporation. It is going to be used to do something that they never had the political fortitude to do and that was make some changes in Manfor, to put in place a management structure that would work, to put in place a corporate attitude that would make it into a successful corporation. We intend to do that. I don't believe that there is anything to be gained by providing honourable members with a copy. I've indicated that I'm perfectly willing to sit down with the honourable member and explain . . .

**MR. SPEAKER:** Order please.

**HON. J. STORIE:** . . . what the consultant's report says and why it says that and what we're doing about it, but there is certainly no point in tabling a copy of that report for members opposite.

## Manfor - consultant's report

**MR. SPEAKER:** The Honourable Member for Swan River.

**MR. D. GOURLAY:** Thank you, Mr. Speaker.

I wonder if the Minister could tell the House this afternoon how much did the consultant's report cost the taxpayers of Manitoba.

**HON. J. STORIE:** Mr. Speaker, the consultant's report was paid for by Manfor.

**MR. SPEAKER:** Order please. The time for Oral Questions has expired.

## ORDERS OF THE DAY

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

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

I beg to move, seconded by the Honourable Minister of Agriculture, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

I might add, Mr. Speaker, the Estimates of the Department of Agriculture will continue in the Chamber. The Estimates of the Department of Culture, Heritage and Recreation will continue in Committee Room 255.

**MOTION presented.**

## MATTER OF GRIEVANCE

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

**MR. A. DRIEDGER:** Thank you, Mr. Speaker.

I'd like to take this opportunity for the privilege of using up my grievance and the concerns that I want to express this afternoon continue with the questions that were raised in the House this afternoon regarding the cream shippers and generally the attitude of the Minister of Agriculture in terms of dealing with this problem or lack of dealing with it. — (Interjection)—

Well, Mr. Speaker, I tried to raise the question a few times before because it is a matter of urgency. There's more and more people getting involved and being affected by what's happening in the cream industry right now. The Minister has not been responding properly. He's been fudging around and throwing the blame all over the place, in fact, even blaming the previous Minister of Agriculture saying that he's following those kind of policies and it is for this reason that I'd like to maybe and try and put on the record some of the concerns and what is happening.

This whole thing has been mushrooming for the last couple of weeks. In fact, a week ago last Saturday to the Manitoba Milk Producers Marketing Board, a cream board was established who came together and decided that they would not allow any further transfers of quotas between the cream shippers. Mr. Speaker, there is a difference between the fluid milk shipper and the cream shipper. The transfer of quotas with the fluid shipper has already been stopped by the Manitoba Milk

Marketing Council or the Manitoba Marketing Council some time ago.

The difference was that the cream shipper has always had the availability to him to transfer quotas from one cream shipper to the next. There's never been value involved because many of the cream shippers do not fulfill their quotas. Many of them do not even ship cream. Until now it's always been allowed that if a cream shipper had maybe too much cream, that he could then go to a neighbour and say are you not using your quota and it was allowed to be transferred. That has been stopped. As a result of that, there's many people now that are being affected by it. We have to understand the kind of people that are being affected by it. In many cases, it's some of our older farmers that maybe are not that active in terms of grain farming, extensive cattle farming, but that need this kind of income until they get to a pension age, that use this kind of money that they get from cream shipping to pay their hydro bills, their telephone bills, groceries.

It's minimal but I want to illustrate a case just of what exactly what has happened and why it is of major concern. There was a lady in the southeast part of the province who has reached apparently that plateau of her quota that she's not allowed to ship anymore. Many of them don't understand the system. In fact, many people in this House don't understand the system properly and I think the Minister of Agriculture doesn't understand it properly. This lady was shipping her cream, her couple of cans a week and her cheque was supposed to be \$118 in two weeks time. What happened by the time she got penalized for overproduction, she gets \$21.65. — (Interjection) — This lady is desolate at this stage of the game. These people are too proud. They don't want to turn around and go apply for social services, for welfare. They have their little holdings. They've been getting by.

The Minister can speak all he wants about the fact that there is a system in place and overproduction and yelling about us being against supply management. That is not the case. This Minister has failed to realize his responsibility. What he has done, there's a little difference between what's happening in the fluid industry which he has effectively stopped the quota of transfers, but has now done it in the cream industry, the cream producers section of it. That is creating a lot of turmoil out there.

Mr. Speaker, I fully realize that under supply management, there are quotas that have to be established, have been established and people have to operate within that guideline. There are many pounds of unused quota in the cream industry, in the cream producers section, that could be used that are not being used. If the quota is out there why will they not allow the transfer of that from one to the other so that they could get the maximum utilization of quota for the Province of Manitoba.

The other thing that this Minister has not done - in fact, he's done nothing - I would have suggested that he deal with the federal people in terms of trying to get some quota for the cream shippers, at least. The impact is much different on these people than on any other people.

The other thing that bothers me, I was checking the processors this afternoon and they need the cream. They want the cream and they don't know, they'll be

having to lay off people and shut down in some cases because they won't be able to have the cream because the quotas are filled up and still they have customers that they produce butter for that needed supply. What happened to the one processor - I can be very blunt; it's a fellow by the name of Don Stotski, he runs the Vita Co-op - he indicates that they had anticipated being pressured again - and it's happened once before - or they'll have to buy the butter from Quebec, package it here and then sell it. That is the thing that is wrong. When we have our people that cannot produce and because of the system the way it is set up, that we will have to be bringing in butter from Quebec or Ontario, from the eastern part of Canada, that is tragic. There is no way that you can explain to anybody that this is fair.

I think there has to be a readjustment done of these things. It's creating many concerns. Initially, it was only a few people. When I tried to raise it last week, and I tried to raise it initially in the Estimates of Agriculture, there was only a few people involved. It's mushrooming now as everybody is starting to hit that plateau where their quota has filled up and the rumblings are going to be impacted for a long ways down the line.

The dairies in Manitoba are not necessarily, and the cream shippers are not necessarily the ones that are overproducing. The fact of the matter is that we have, I believe, not our fair share of quota. — (Interjection) — We have a surplus of butter right now, extensive surplus. The fact of the matter is that I don't think that Manitoba is creating the problems in terms of surplus butter in Canada. The fact that we have dairies out there that are employing people that need the cream will be shutting down in the small communities because of what's happening right now.

The one lady that I talked to today, I said, what are you doing with your cream now. She's cut off. It's interesting enough if she would keep on shipping this cream, the penalty gets to the point where, I suppose, the questions asked me are - how much can they penalize us? Where does this money go? I said, that is a penalty that supposedly you're paying for overproduction. What are you doing with your cream right now? She says, we have a few hogs and we're utilizing part of it by feeding the hogs with it. That portion of it that we can't use we're pouring on the ground.

This is a tragedy when we talk of starvation through the world, that we can't develop a system where we can utilize food. Our people in Manitoba and Canada can produce an awful lot of food and it is a tragedy that we can't work out a system to utilize this, so that we can help people in the starving world.

The Member for St. Norbert has raised a question of how much money has been spent by this government for aid to Ethiopia? The concern is a valid concern. What bothers me is that we have people who are out there, can produce food and are going to be penalized and have to dump food.

That ties into the situation with the hog operation at the present time. I talked with some of my hog operators now, operators that used to ship across the line. They have now been cut off from shipping their hogs across the line, part of a trade problem. The people that are actually involved financially and are having to pay the bills and having the bankers come down hard on them

because they can't sell their hogs across the line, which is bringing the price down here; they can't understand the rationale very often why governments can't resolve these things in terms of trade and stuff like that.

Many of these people that are farmers, they have one concern. They're good farmers. They produce food. This is what they know. They produce grain, livestock, whatever the case may be. That is their bag. That is what they are professionals in and they can't understand why governments cannot resolve these things in terms of trade agreements, many of these aspects of it, and it is a tragedy that happens in this respect.

Why I rose on a grievance today, Mr. Speaker, is because even in the Estimates in the last few days with the Minister of Agriculture, I have not been happy and I think my colleagues have not been happy with his attitude. I think he's playing politics with the whole system of agriculture when he pulled a boner there with his interest programs to some degree and he called it a backfire and he lost some credibility. He took off and travelled across Manitoba on a good-will tour, in trying to promote his image again.

I think we're at that time, Mr. Speaker, where we have to have a much more conscientious effort by this Minister of Agriculture, by this Premier, by other Ministers of Agriculture across Canada, federally as well, because the agricultural community is starting to suffer. We have squeezed the efficiency from our farmers to the point where I don't know how much more you can squeeze; and I said this 10 or 15 years ago; we have squeezed them to the breaking point and many of them are still getting efficient all the time.

I don't know how far this can continue to go on, but ultimately I believe this system will break. The cost of production has escalated to the point - just in the few years that I have been in the agricultural business - has escalated to the point - take fertilizer costs, take the machine costs. There are so many things that are basically creating a lot of pressure on the farmers.

The tragedy of it is that the average age of our farmers is 56 years. Very few young farmers have any possibility of ever getting into it, unless they're affiliated with their fathers or there are some special benefits that they can get in terms of starting off. An average young individual who has gone through university, taken the diploma degree course, unless there's big financial help somewhere, cannot get into the farming business.

Mr. Speaker, it is this average age of 56 that scares me a little bit, because that age keeps creeping up and we need long-range planning and we haven't had long-range planning and this is why I'm concerned about just the thing that is affecting the cream shippers right now. It seems like it's only affecting not that terribly many people. It is affecting the agricultural community and the ripple effect will be dramatic. It will be dramatic. When the dairies have to close down - the Minister had to leave momentarily, I guess, when I was referring to the Vita Co-op - which claims they need the milk or the cream and they have customers. They're not overproducing out there. They're selling it. Their customers want that.

What's going to happen, because of the way the system is, farmers are going to be pouring out their cream and feeding it to hogs. The dairy is going to have to lay off people and not be able to produce butter, and the customers - the customers that they

have that want their product - they're going to have to go buy it somewhere else. The fact of the matter is, that that somewhere else is going to be from the east. That butter is going to be brought in from Quebec and Ontario and that is a tragedy.

That is the thing that I am trying to illustrate to this Minister. Regardless of what the system is, if the system isn't good, then change the darn system. Get involved in it. Don't say, well, my hands are tied, we have the Manitoba Milk Producers Marketing Board, change the darned thing. Because what I'm going to do, if the Minister doesn't want to — (Interjection) — What I'm going to do is tell all these people and I hope the people out there become aware of it, they will phone this Minister of Agriculture and ask him why he is not doing something about it.

I indicated before, fight for more quota on the national level. Allow the transfers among the cream shippers, the quota is there. There is quota among the cream shippers right now, and I indicated before, in the dairy you've stopped, now you've stopped it among the cream shippers - the transfer of quota - and it's going to be a very difficult thing for many people to live with.

Mr. Speaker, there are many other areas in the agricultural community that I could speak on. What has happened is, I think we've developed an attitude of playing politics with our major industry in the province. You're playing politics with agriculture. The Minister is not sincere in terms of trying to do the best for the farm community.

I want to just touch back on the hog industry for example. One of my producers went down personally to South Dakota to try and talk to the governor to see whether he could get a permit to ship hogs down there. Why is this Minister not involved in these things, showing a sincere attempt to try and resolve the problems in the agricultural community?

We have the same thing in the dairy industry - and I differentiate between the cream shippers and the dairy industry - where he is not allowing transfer of quota. This is done by the Manitoba Marketing Council which is appointed by this Minister, who fulfilled policy as he wants it, and it's creating major problems out there. The Minister has put his blinders on and he refuses to consider and listen to the producers when they come up with their suggestions.

Mr. Speaker, I don't know how or what other way to raise the concern of the cream shippers in Manitoba for this Minister. This is the only avenue, I suppose, that I have available to me to bring the concerns forward. When we get into the Estimates, I hope we will continue this until we have some answers from this Minister, telling us how he views this situation and what he is going to do.

People out there don't want excuses. Tell us what you will do with the matter. There must be some ways to resolve it. He has that responsibility; he has the staff, the resources available to do that kind of thing. So I hope that the Minister will come up with some kind of an indication so that I can go back to the people out there, the cream shippers, and give them some answers that are going to be at least satisfactory and give them some hope. They can continue to at least meet their immediate needs, without having to go and look for welfare from their municipalities.

**SOME HONOURABLE MEMBERS:** Hear, hear!

**QUESTION put, MOTION 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 the Department of Agriculture, and The Honourable Member for Burrows in the Chair for the Department of Culture, Heritage and Recreation.

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY - CULTURE, HERITAGE AND RECREATION

**MR. CHAIRMAN, C. Santos:** Committee, please come to order. We are on Item No. 3.(g)(1) Translation Services: Salaries; 3.(g)(2) Other Expenditures - the Member for Sturgeon Creek.

**MR. F. JOHNSTON:** I was finished on that yesterday, Mr. Chairman, pass.

**MR. CHAIRMAN:** 3.(g)(1)—pass; 3.(g)(2)—pass. 3.(h)(1) Citizens' Inquiry Service: Salaries; 3.(h)(2) Other Expenditures.

**MR. F. JOHNSTON:** This is the same as it was last year. It looks like a reduction in staff, but it's the same. It's the same duties they had last year?

**MR. CHAIRMAN:** Mr. Minister.

**HON. E. KOSTYRA:** Yes, same duties. There's no reduction in staff; there's a reduction due to reclassifications. The same number of staff though, six permanent staff.

**MR. F. JOHNSTON:** Is this the Citizens' . . . Sorry, I guess it's Inquiry; I'm mistaken. Just quickly then, is the 943-6119, which is a service to people with visual problems, used all that often?

**HON. E. KOSTYRA:** I'm told it's used infrequently. We can get numbers if the member wants, subsequent.

**MR. F. JOHNSTON:** Is the Citizens' Inquiry basically inquiries as to government generally? This has nothing to do with information, tourist information or anything of that nature.

**HON. E. KOSTYRA:** No, it's basically providing a referral service asking what the caller is interested in and then making sure that they get connected with the appropriate department and person and they're patched right in. They're not just given a phone number to call, but they're referred directly to the appropriate branch or department.

**MR. F. JOHNSTON:** Pass.

**MR. CHAIRMAN:** 3.(h)(1)—pass; 3.(h)(2)—pass. Resolution No. 44: . . .

**MR. F. JOHNSTON:** Mr. Chairman, I wonder if the Minister would be agreeable to jump down to Expenditures Related to Capital and if he could just

give me the list of the Capital Expenditures and I would pass that too.

**HON. E. KOSTYRA:** I agree.

**MR. CHAIRMAN:** Resolution No. 44: Resolved that there be granted to Her Majesty, a sum not exceeding \$2,511,000 for Culture, Heritage and Recreation, Communications Services for the fiscal year ending the 31st day of March, 1986—pass.

Let me call Item No. 5. 5.(a) Expenditures Related to Capital, Acquisition/Construction of Physical Assets; 5.(b) Capital Grants - Mr. Minister.

**HON. E. KOSTYRA:** The (a) part of \$43,600 is as follows: St. Norbert Heritage Park, \$17,500, which is basically the last of the money being paid for that current phase of that development and this will be opening this spring. There's a possibility of doing further phases of that development but none are planned at the present time.

**MR. F. JOHNSTON:** Just the amount again, Mr. Chairman, I didn't . . .

**HON. E. KOSTYRA:** 17,500.00. The other part of the 5.(a) is \$26,100 for Building Surveys which is an ongoing program and it's what is popularly referred as the early building survey. This year to date, they have done Boissevain, Killarney, Brandon, Portage la Prairie, Neepawa and will be doing Dauphin this year.

The second part, the Capital Grants, 470,000 are as follows: Manitoba Centennial Centre Corporation \$132,200; Museum of Man and Nature \$100,000; Western Manitoba Centennial Auditorium \$42,800.00.

**MR. F. JOHNSTON:** What was that again?

**HON. E. KOSTYRA:** \$42,800, the Westman Centennial Auditorium.

There are contingency cultural facilities, capital grants of \$20,000; that's for any emergency repairs to any of the major facilities. Then there's \$175,000 for the Multicultural Capital Grants Program which is the same as last year. The reductions are in the area of the Manitoba Centennial Centre Corporation, basically.

**MR. F. JOHNSTON:** I have just one question on that. The St. Norbert Heritage Park, does that have any involvement with the ARC Program?

**HON. E. KOSTYRA:** The ARC Program was responsible for doing part of the development there. It was something that was initiated in 1975-76. It was a departmental function and it was picked up and enhanced through ARC.

**MR. F. JOHNSTON:** I have no further questions on Capital, Mr. Chairman.

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

**MR. R. DOERN:** Mr. Chairman, my questions concern these cheques that were handed out a year or so ago. I want to know the basis of them then and whether

there are continuing grants because the Minister, as I understand it, concocted a special ceremony one day, invited all the ethnic groups here and then handed out two cheques for \$50,000 each, one to the Hindu Society and one to the Philippine Association, both very tiny groups, and I want to know, first of all, whether there were additional grants and for what purpose those first grants were made?

**HON. E. KOSTYRA:** The member is somewhat wrong on his facts. First of all, there was no cheques handed out at the function that the member's referring to. There was, as a separate activity that day, a press conference for the media, which outlined a number of initiatives in the multicultural area which included these grants and other activities.

In terms of the Grant Program, the Grant Program has been in existence since 1976 and has continued since 1976 to the present date. The criteria has been the same for at least the last five or six years, as far as I know. I don't know if the member is interested in the response - probably not - so maybe I won't bother giving any more.

**MR. R. DOERN:** Mr. Chairman, to be specific, was this one of a series. For example, the Hindu Society or the Philippine Association, was this a one-time \$50,000 grant or \$50,000 a year for several years?

**HON. E. KOSTYRA:** If the member would have bothered to listen to the answer I was providing to his first question, he would have got the answer and I'll take him through it slowly, Mr. Chairman, so that he will understand.

**MR. R. DOERN:** Go ahead.

**HON. E. KOSTYRA:** This Grant Program has been in existence since 1976 and has been in existence, in a similar form, since that time with the amount of assistance available under the program increasing - I apologize to some of the members for having to repeat everything. It has increased in total amounts from the early years of being a maximum of \$50,000, where one grant was allowed, to the present day when it's a maximum of \$175,000, which allows for a number of grants.

The criteria for the Grant Program has been the same since the Seventies, which is, it's for capital purposes for organizations who are non-profit, ethnocultural, community-based organizations for the purpose of constructing, renovating or purchasing facilities to be used in areas relating to multiculturalism. There's a program brochure that I'll pass to the member, if he's interested in reading it, on the guidelines on the program.

The grants that have been awarded in the year that the member was questioning were to, I believe, three organizations, the Hindu Society, the Philippine Association of Manitoba. In addition, over the years, there's been grants to Canada's National Ukrainian Festival, the Indian and Metis and Friendship Centre, the Italian-Canadian League of Winnipeg, Ukrainian organization, Lebanese organization, Canadian Polish Congress, Caribbean Canadian Association, Colored

People's Social Charitable Organization, Association of Pakistani Canadians, Selo Ukraina, Ukrainian National Federation, Citizenship Council of Manitoba International Centre.

Once an organization does receive a grant, they are not eligible for another grant for the same capital project. The program provides grants of up to \$50,000 maximum and the grants have to be matched by at least two-thirds by the sponsoring organization, so an organization could get the maximum grant of \$50,000 if they were having a project that was \$150,000 or more.

**MR. R. DOERN:** Mr. Chairman, then the Minister is saying that in both instances this was the total amount of the contribution; \$50,000 to the Hindu Society and \$50,000 to the Philippine Association?

**HON. E. KOSTYRA:** In terms of capital grants from the Province of Manitoba, I believe the Philippine Association received for that project money from the Core Area Initiatives.

**MR. R. DOERN:** In addition?

**HON. E. KOSTYRA:** In addition.

**MR. R. DOERN:** But from the Provincial Government, 1983 or whatever year that was, 1983 or '84, there was a \$50,000 cheque and no additional money since?

**HON. E. KOSTYRA:** Not for any capital grants under the Capital Grants Program.

**MR. R. DOERN:** Is the Minister now saying that the maximum cheque for a particular project has now escalated to 175,000?

**HON. E. KOSTYRA:** I'll try it slowly again, Mr. Chairman.

The total amount of money that's budgeted for this program is \$175,000.00. The total amount of grant to any organization is \$50,000.00. That has remained the same. The only thing that has increased over the years is the total amount of budget. It was increased from \$50,000 in 1976-77 total budget, to a total budget today of \$175,000.00. The maximum grant of \$50,000 has remained constant since 1976.

**MR. R. DOERN:** Well, Mr. Chairman, my concern here is the fact that, I think, the government is attempting to enlarge this program, expand this program. I'm sure the money is appreciated by the recipients, but I also think that very bad precedents are being set. The Minister gives one version of what happened a couple of years ago, but the information I have is that in the heat of the French language debates of a couple of years ago, all the ethnic organizations were called down for a reception and given the message that if they got their house in order and their grants in order and they talked nice to the Minister and slowly to the Minister, then they might be eligible, too, for \$50,000 grants.

I don't regard this as a great innovation on the part of the government expanding this program, dangling money in front of ethnic groups, providing funds where in many instances organizations came to this province,

came this country, built up organizations, built or renovated facilities and have been doing very nicely ever since.

Now, the whole procedure has changed and the Minister is going around like Santa Claus, offering money to everybody in sight, dangling cheques before them, and trying to build up a structure for the purposes of re-election.

There are many organizations in Manitoba who, in effect, are successful and prosperous without government support; who have thousands of members; who don't go running to the Federal Government and the Provincial Government every 15 minutes, and aren't encouraged to do so. The example that we're now getting I think is not a good example. Self-sufficiency is no longer prized as a value. The government wants to keep being the funder of these organizations and is, I think, implicitly expecting something in return. I don't see this as an area that one can trumpet.

So I simply say that the Minister gives one version about an ongoing program; he's clearly expanding the program; he's clearly I think trying to win friends and influence people. I do not believe that this is the right approach. We've seen too much of this. We've seen too much of this at the federal level. We've seen the Franco-Manitoban Society, which is the worst example of somebody who is an arm of the Federal Government, getting federal funding, capital funding, operating funding, laundry money, getting legal money, all kinds of extra goodies.

I just hope that this Minister doesn't move further in this particular direction. I think he can offer some support, but I think when he's dangling \$50,000 cheques around and building up his program, then I think it's quite obvious what he's attempting to do.

**HON. E. KOSTYRA:** It's really unfortunate that the member does such damage to the facts and to the truth. At no time have I ever made any suggestion to any individual or any organization that they would get grants on the basis of providing support to this government, to a specific issue, to a specific situation. That is totally fabrication of the imagination of the member.

This program has been in existence, as I said, since 1973. The maximum amounts of money have increased to a small extent, from \$50,000 in 1973 to \$175,000 today. I would also add, to help the member with his memory, the grant was in place and was handled by the Cabinet that he was a member of for awhile. I guess he should have had the same kind of condemnation of that kind of program at that time as he does now, since he's joined the opposite side of the Assembly.

This program is providing support to community organizations. At least two-thirds of the support has to be raised by the organizations themselves. It is in capital areas to help them enhance community facilities. I think it's a good program. It requires a great deal of community involvement, community fund raising, and community effort.

I certainly commend the organizations that have been involved, but at no time, Mr. Chairman, has there been any suggestion, to any, that this program is being provided to them on the basis of some support. If the member would like to make that allegation, I would

suggest that he provide some proof, and I'd also suggest to him that he could not find any proof anywhere of that. It's merely some figment of his rather creative imagination.

**MR. R. DOERN:** Well, Mr. Chairman, we know that not all things are written down. We all know about nudging and winking and we all know the — (Interjection) — messages that . . .

**HON. E. KOSTYRA:** Speak for yourself.

**MR. R. DOERN:** . . . are sometimes contained in actions. We also know that when we ask for information and correspondence, that sometimes that isn't forthcoming. I've asked for information about communications between this government and a number of organizations. Some 15, 16 months ago, that information is still not forthcoming. I simply note, Mr. Chairman, by way of interest, and when it comes to multicultural grants, that there were at least I think 10 or 12 or more organizations who saw fit to come forward in the hour of need to support the government during the language hearings. It wouldn't take much to draw the conclusion that some people felt it was necessary, or may have been encouraged directly or indirectly, to come out and support the government. It's a case of . . .

**MR. CHAIRMAN:** Point of order being raised.  
The Minister of Health.

**HON. L. DESJARDINS:** . . . irrelevant to that. These people are not here to use the time of the Committee to imply motives to people that are not here to defend themselves is out of order and clearly should not be continued at this time. This is to look at the Estimates of the Department, not to imply or to fight the French legislation all over again.

**MR. CHAIRMAN:** The last meeting . . .

**MR. R. DOERN:** Mr. Chairman, on the point of order.

**MR. CHAIRMAN:** On the point of order, the Chair is making an observation.

**MR. R. DOERN:** I'd like to make a point of order.

**MR. CHAIRMAN:** The Chair is making an observation.

**MR. R. DOERN:** Fine.

**MR. CHAIRMAN:** Last meeting when the member was not present here, I made a comment that nobody should speak ad hominem against somebody who is not present. I was trying to defend him.  
The Member for Elmwood.

**MR. R. DOERN:** You were talking about an MLA and the Minister is talking about organizations. Well, there's hundreds of organizations. We're not going to invite everybody in Manitoba to come here in the hope that they might get a mention favourable or unfavourable. I'm talking about the Minister. He's here and I'm talking

about the government and they're here and you're the Minister of Lotteries. I'm simply saying — (Interjection) —

**HON. E. KOSTYRA:** You still wish you were Minister of Culture, Doern.

**MR. R. DOERN:** Well, that's right. I forgot you were fired.

So, Mr. Chairman, the point is that I have made this observation. I'm talking to the Minister about his actions and I'm just simply making the observation that whether it's written or not and whether there is written evidence or not, I'm simply saying that this Minister in my judgment is creating the impression by his actions that it would be appreciated financially, or if finances are given, that maybe things aren't expected. Let's say that when large grants are given, then there is a message there and I say that he has given a message clearly to the multicultural community.

**HON. L. DESJARDINS:** Mr. Chairman, on a point of order, he's doing the same thing. Now he's implying motives to the Minister, points that he can't prove at all and that should not be allowed in this House.

**MR. CHAIRMAN:** It is an abuse of privilege to impute motive to any member of the Chamber.

**MR. R. DOERN:** I wish the Minister of Health would stop imputing motives to me.

**HON. L. DESJARDINS:** It's very clear what you're trying to do.

**MR. R. DOERN:** Don't impute motives.

Mr. Chairman, I have made my point to the Minister that I think that his actions are transparent.

**HON. E. KOSTYRA:** I will repeat my statements again. There has never been anything written verbally, no winks, nudge, nudge, whatever that means. I don't deal with people that way, but I presume the member opposite must if he makes reference to it. There's not been any suggestion to any organization that their funding is dependent on some kind of support to this government on any policy or generally.

In fact, if the member would do a bit of research, he will note that some of the organizations he makes mention of did receive support, others probably didn't. There's also some organizations that came . . . for that committee he makes reference to that were in opposition to the government's plans that also received funding; so I think the member is basing his unfortunate allegations on nothing related anywhere to the facts.

If the member wants to talk about transparency, I would like to send him, when I get a chance, a copy of one of his leaflets where he suggested, if he was elected leader of this party in government that he would do a lot more to assist multicultural organizations and ethnocultural organizations in the province. Now, when the government that he once was a part of for a fleeting moment does do that, he attacks it. I think that is more transparent than anything I've ever done, Mr. Chairman.

**MR. R. DOERN:** Mr. Chairman, let's just say that if that fortunate event had occurred, we wouldn't have

the kind of method of operation of the present Minister and we wouldn't have had the French language fiasco which he and his government brought to this province.

**HON. E. KOSTYRA:** It's his last hurrah, Larry. Let him have it.

**MR. CHAIRMAN:** This is a debate about Capital Related Expenditures. 5.(a)—pass; 5.(b)—pass.

Resolution No. 46: Resolved that there be granted to Her Majesty, a sum not exceeding \$513,600 for Culture, Heritage and Recreation, Expenditures Related to Capital for the fiscal year ending the 31st day of March, 1986—pass.

Mr. Minister.

**HON. E. KOSTYRA:** In order to facilitate the work of this committee, we've had some discussion with members and we've proposed that Item 4. be held over to the next sitting of the committee; and if we could revert, by leave, temporarily to Minister's Salary, we could then deal with Lotteries.

**MR. CHAIRMAN:** There is going to be Private Members' Hour, I understand. Is it the wish of committee members that we do this? Leave is granted.

We shall go to Item No. 1.(a), which is the Minister's Salary and discuss Lotteries.

Mr. Minister.

**HON. E. KOSTYRA:** Thank you. As members are aware, the system with Lotteries at present is that there is a Foundation in place but there has been agreement to have discussion on the operations of the Foundation under my salary and I'd just like to first introduce Mr. Garth Manness who is with me, who is the General Manager of the Manitoba Lotteries Foundation and I'd just like to make a few brief opening remarks.

On October 14th, '83, the Honourable Larry Desjardins, the then Minister, announced a new program for Lotteries which was aimed at meeting the following goals:

1. To provide public protection and fair play to lotteries in Manitoba;
2. To maximize the return from lotteries through efficient operation of games; and
3. To provide a fair distribution of funds from lottery profits to charitable organizations.

After one year of operation, the program has been a success. Through increased methods of accountability, equalization of prize payouts and upgraded security staffing within the Manitoba Lotteries Foundation, the public is beginning to feel the positive results of the changes.

Rule changes in bingos and break-opens designed in ensuring fairness, accountability and fairer distribution of proceeds were met with a degree of dissatisfaction by those groups which felt they would stand to lose something in the changes. Through some regulation, modification and group consultation, most groups now see that fairer rules and a fairer distribution of proceeds are fair for the public overall, even if some groups do not hold the preferred position they once did.

The Foundation, at the direction of the government, became directly involved in the operation of bingos

and casinos and in the distribution of lottery tickets and break-open tickets. These programs have been financially an overwhelming success. Profits to charities increased by \$14 million or 86 percent from 1983-1984, with overall operating expenses actually decreasing by over \$500,000 or 8 percent.

This has been done at a time when many of the individuals and groups who opposed the changes initially, voiced strong opposition to the change and made some of the changes very difficult. Future financial projections in these areas are equally as promising. The design of the umbrella group system has itself proven to be a very unique and positive method of distributing the lottery proceeds to community groups.

The eight umbrella groups, four festival groups and two departments of government which distribute lottery proceeds have all approached the task with vigour and are well on their way to developing fair and equitable criteria for the distribution of over \$30 million generated through the program.

The system is having its first review to determine if the allocation of funds between umbrellas is fair and whether or not any other adjustment should be made. Overall, the changes have been very positive and the board of the Foundation is always open to concerns from groups and is prepared to recommend changes in the system if it feels the intent of the Criminal Code and the objectives of the government re gaming would be better met.

**MR. CHAIRMAN:** The Member for La Verendrye.

**MR. R. BANMAN:** Mr. Chairman, I haven't got any opening remarks. I have some general questions which I'd like to pose and then some more detailed ones later on.

I wonder if, first of all, the Minister could tell us what is envisioned with regard to the structure of the Manitoba Lotteries and Gaming Commission. We have had a fair number of changes this last year. We've had B.C. pull out of the Western Canada Lotteries Foundation; we've had the W.L. and D. which was marketing the tickets, now I assume being taken over by the Lotteries Commission. Is it the government's intention to have the marketing of the tickets, the administration of the act and all forms of gaming, casinos, Nevadas, bingos, all come under this one organization?

**HON. E. KOSTYRA:** That is what did take place over a year ago. That was the changes that were put in place where all aspects of Lotteries and Gaming are the responsibility of the Manitoba Lottery Foundation and, through them, to the various organizations that are involved in the various aspects of Lotteries, Gaming, tickets in Manitoba; and the Foundation represents the government on the Board of Directors of the Western Canada Lotteries Foundation.

**MR. R. BANMAN:** How many employees are currently on staff?

**HON. E. KOSTYRA:** The total staffing of the Lotteries Foundation is 93 positions. There's presently seven vacancies, so there's 86 employees.

Prior to all the changes that took place, the staffing was 70 employees. There was 12 with the Manitoba Lotteries Foundation; 27 that were with WLMD; 10 with the private bingo halls; 6 contract employees regarding casinos; and 50 employees with respect to break-open ticket distribution.

So the pre-changes, total amount of people working in that area were 70. At the present time it's 93 positions or 86 people actually working.

**MR. R. BANMAN:** Mr. Chairman, now that we've all aspects of gaming under one commission, could the Minister tell us what the anticipated total gaming - this includes break-opens and everything - is going to be this coming year? Obviously the commission will have done some estimates and have some idea what's going to happen.

And also could he tell us what amount of money then will be available to government and all the umbrella groups? In other words what would be the net revenues that will be available out of lotteries funds?

**HON. E. KOSTYRA:** The estimates for the year ending March 1985 is \$174,222,000.00. The estimate for 1985-86 fiscal year is \$192,900,000.00. The net profit from that is estimated at \$31 million.

**MR. R. BANMAN:** Does that take into consideration the operating costs of the Lotteries Commission?

**HON. E. KOSTYRA:** The \$31 million is after the operating costs of the foundation.

**MR. R. BANMAN:** This is what the average person would refer to as disposable income?

**HON. E. KOSTYRA:** Or profit, depending on how one

**MR. R. BANMAN:** Could the Minister tell us what the Budget for the Lotteries Commission will be this year, the operation?

**HON. E. KOSTYRA:** \$6,125,000.00.

**MR. R. BANMAN:** Mr. Chairman, I made several observations during the Estimates dealing with the expenditure of lotteries funds, and at that time suggested to the Minister that a different system would be implemented.

I would offer the Minister the suggestion that since we are now talking such large sums of money; we're talking about Manitobans spending on the average of \$200 per capita, or almost let's say \$600 to \$800 per family annually now on lotteries, which is a tremendous amount of money and the province is going to derive some \$31 million clear in lotteries revenue, which will be disbursed as the government sees fit; and I put a caveat on there knowing that there are certain commitments to sports federations and that, where the government doesn't have very much discretion because that is already in place and will continue; I wonder if there is a system that can be established so that the Legislature would be able to review this and see, in a more comprehensive way, where the funds are going and what direction we're taking?

We are actually now establishing a Crown corporation - in essence this is what we've done - which is having a pretty dramatic effect, not only on revenues but also on the lives of Manitobans, when you're looking at \$200 per man, woman and child in Manitoba being spent on gaming in this province.

So I would suggest to the Minister that either a Legislative Committee or an ad hoc committee of members of the Legislature - and I would offer my services to the Minister - where we could sit down and try and work out a reporting system on an annual basis, which would provide the members of the Legislature with the Budget requirements and things like that, that we could sit down and deal with them in a pretty comprehensive manner, because we're talking about awfully large sums of money.

When the previous Minister of Lotteries in the Schreyer administration started the Western Lotteries Foundation, I think that he never dreamed that we would see this kind of revenue. When I left as Minister in 1981, I think we were around \$4.5 million, \$5 million was coming in at that time, and now we've seen it mushroom in a matter of three years to about \$31 million which is absolutely phenomenal.

So I'm concerned that a system be put in place whereby, not only do we know what the groups that are so-called umbrella groups are doing within the system, but that there is a pretty comprehensive report put together which ties in on one report all the activities and where all this \$31 million go. That way, at least, we know what the sports people are spending, what the cultural people are spending, what the multicultural people are spending, what the arts council is spending, and where all the revenues are going.

So I suggest to the Minister, and I haven't really got a concrete proposal to put forward to him, but I think there should be one developed, which will allow the Legislature to deal with that. So I just throw that out for the Minister's consideration. Maybe there's something we can all work out so that the reporting system on this huge amount of money is brought forward to the Legislature and in a neat package.

**HON. E. KOSTYRA:** Just a couple of points. I'd basically agree with the comments the member is making. In fact the original plan with the changes is to provide a comprehensive reporting mechanism, in terms of the activities of lotteries and gaming in the province, and to provide information on the distribution of the profits from the lotteries.

I would anticipate that as we move down the road a bit further, as part of the Annual Report there will be comprehensive reporting on, not only the specific grants that are processed by the umbrella groups, but also some reporting in terms of the criteria that each of the umbrella groups have in place in terms of providing the grants to the various organizations that are within their umbrella groups, so there will be greater public information, greater accounting to the Legislature in terms of their activities.

I also think it might be an opportune time in the near future, as that develops, also to have the foundation report in similar fashion to what other Crown corporations report, that is, through a Committee of the House rather than being dealt with in Minister's

Salary, Estimates Review, so that then it can be dealt with with the chairman of the board and the staff and the Minister as are other corporations that have a somewhat autonomous existence. So that's what I would see and maybe we could look collectively at having that happen in the near future rather than having it dealt with in this fashion in the review of the Minister's Salary.

I think that was, as I indicated, part of the plans all along was to get into more and more reporting as we get experience and as the umbrella groups make their own reports. Again, some of them have just been in existence for years. Some have started to distribute funds. Others have taken their time in order to get some money in the bank, so to speak, before they start having that money flow back to the community so that they wouldn't be spending money that they didn't have, which I think is quite responsible in terms of some of the organizations that were involved in the new umbrella groupings. I think we've gone a long way to bring greater public accountability and security to the system. At the same time, I recognize that as was planned initially is to take that further step to provide greater accountability to the Legislature and to the public.

**MR. R. BANMAN:** There are two areas, it's sort of a two-pronged concern, one is to have a pretty good handle on where the monies are going, and the other, of course, is to deal with the more sort of philosophical end of it dealing with things such as number of casino days and length of casinos and that type of thing, as well as the introduction of any new games.

I'd ask the Minister is the government contemplating entering the instant win game, the type which has been tried on an experimental basis several times?

**HON. E. KOSTYRA:** Yes, that is taking place right now through Western Canada Lottery Foundation. They have two games a year - what do they call it? - "Wonders of the World" - whatever that is - on right now which is one of those games and they've had Tic-Tac-Toe in the past.

**MR. R. BANMAN:** Well, Mr. Chairman, again, coming back. I think maybe the idea of the Lotteries Commission reporting as a corporation to the Legislature like the Hydro or Telephones during Public Utilities. Maybe this is, I guess, if one really stretched it - it's almost like a public utility now because it's bringing in a massive amount of money, but that might be one route to take at which time not only the financial report could be looked at but then, of course, the other area is explored with regard to the expansion of the gaming and lotteries operations in the province.

I wonder if the Minister could provide the opposition, if he can't do that today, with the operating budget of the Lotteries Commission for the coming year which would show the - he gave me the figure of what it would cost - breakdown of the buildings and the cost of running the buildings and all the different costs that are involved in it.

**HON. E. KOSTYRA:** Yes, we can provide that information.

**MR. R. BANMAN:** A couple of direct questions. We now run 90 days of casinos a year. I've asked the

Minister some questions in the House with regard to expansion and he indicated at that time that he was not contemplating any.

What do the individuals that are hired to run the casinos do when they're not working some of those 90 days? Secondly, on the statement of revenues, are the operations of those casino employees, those full-time casino employees, deducted from the receipts at the casino when the Minister announces that a casino made \$250,000.00? Is that after expenses are taken or before?

**HON. E. KOSTYRA:** I'll answer the first question and I missed part of your second or third questions.

There are eight staff that are full-time with regard to casino operations. They work, of course, the 90 days that there are casinos in the City of Winnipeg. The member is also aware that there are 110 days of casinos outside of the City of Winnipeg and the staff are involved in assisting the operation of those. They are also involved in the other period in training and other activities related to the running of those casinos.

If the member could repeat his second question or third question, I'll respond to it.

**MR. CHAIRMAN:** The Member for La Verendrye. One question at a time.

**MR. R. BANMAN:** The Minister has, from time to time, announced the amount of money that a casino has made. Those figures, do they include the cost of operating those casinos, or are those . . .

**HON. E. KOSTYRA:** He still wants to be a Minister.

Those figures are net; that is the actual profit that is derived to the charity that is working that particular casino. The profits for all of the casinos that have been run since the foundation has formally taken over have all shown increased profit. In fact, the latest ones have significant increase in profit to the charities.

**MR. R. BANMAN:** I guess one of the reasons - and I would urge the Minister to adopt the old approach - I would imagine they're showing some increase is that he's extended the hours. As I have mentioned earlier, I don't think we should be starting at 11:00 a.m. in the morning or 11:30. I would still urge the Minister to reduce those hours to starting some time later on in the afternoon, rather than starting early, but we've been through that argument. It would still be my contention that we should reduce the hours.

The other question that I would have now is with regard to the hiring of individuals for the Manitoba Lotteries Commission. Is that done through the Civil Service Commission?

**HON. E. KOSTYRA:** Yes.

**MR. R. BANMAN:** Could the Minister tell me with the umbrella groups, are they given a certain sum of money negotiated at the beginning of the year, or are they given percentages of revenue?

**HON. E. KOSTYRA:** There is agreement on the percentage: that each of the umbrella groups get and/

or agreement on specific amount of casino days and/or percentage or specific amount of bingo days in the three foundation operated bingo halls.

**MR. R. BANMAN:** I guess the ones that I would be the most concerned about are the percentages of what we've learned to call the umbrella groups. Are they all working on percentages? If so, could you tell me what kind of percentage they're working on right now?

**HON. E. KOSTYRA:** I'll table a copy of the actual breakdown because it'll take five minutes for me to read it into the record.

**MR. R. BANMAN:** I guess one of the concerns that I have, and I think the previous Minister had, and I hope that this Minister has, would show some concern we have with this tremendous increase in funds. It becomes very difficult to tie in a group, either on a percentage basis or - and luckily we've avoided the pitfalls and taken some advice from our sister provinces and have not earmarked a specific game for a specific charity. Because what happens is that we've seen now this tremendous growth in the last three years, that if we strictly adhere to percentages or award a specific game to a specific group, suddenly they're endowed with riches beyond their wildest imagination. Then, of course, once that happens it's pretty hard to - even though you realize it and they realize it - it's pretty hard to pull back and say, I think you're getting too much this year because we all know this, that once you give somebody a certain amount they become dependent on that and it becomes very difficult to pull back.

So I'm wondering, with regard to the percentages that the Minister has just given me here, whether or not he is in the position to tell us whether he will be reviewing them annually or are we into sort of a WLMD thing, where the percentages were tied in and we were virtually locked in, with the exception that we did control to a certain extent the amount of money that went through the WLMD via the sales?

**HON. E. KOSTYRA:** Just one comment on the comments then I'll be more specific to the question. One of the reasons that there has been the significant amount of money available for the organizations has been not only the growth in overall but the fact that the actual costs associated with the running of the various aspects of gaming has decreased. That is the amount of money that went either to direct administration or to the private organizations, private companies that were in the field has now been maximized for the charities. I think that point has to be noted.

In terms of the arrangements with the various umbrella groups, there is formal agreements existing with them that are all due to expire, to be renegotiated on April 1st of 1986. It was stated to them that there would be a review process, after they had the opportunity of running them for a year or two years, to see if there was any need in terms of changes on the details of the agreement and/or the portions that were given to each of the umbrella organizations.

The board has commenced that review through a subcommittee and has retained Mr. Al Miller, a former

Deputy Minister of Fitness, Recreation and Sport, who is going to conduct that review on behalf of the foundation and will be liaising with the umbrella groups and coming up with some recommendations for the foundation and thereto the government, in terms of any adjustments in the proportions that are allotted to each of the umbrella groups, or whether or not there should be any other changes with respect to the set-up.

**MR. R. BANMAN:** Two years ago, I think it's two years ago, we passed an act of the Legislature which changed the legislation governing lotteries and the disbursement of funds. It used to be that they had to be disbursed to sports and cultural groups and it was then that there was a provision which allowed the government to transfer to general revenues.

Have any funds been transferred to general revenues and is it the government's intention to do that in the near future?

**HON. E. KOSTYRA:** No to the first question, and no to the second question, at this point.

**MR. R. BANMAN:** A specific question. The food services at the bingos. Was that tendered out?

**HON. E. KOSTYRA:** Yes, they were. There were four bids received and one was the successful contract.

**MR. R. BANMAN:** What is expected to be the effect of British Columbia moving out of the Western Lotteries Foundation?

**HON. E. KOSTYRA:** There's been a number of impacts. One is that there was some reduction of staff that I reported to the House some time ago. It's not expected to affect sales at all, sales will be at the same or increased levels within the three remaining provinces.

It will affect the bottom line somewhat because there are some fixed costs with regard to the operating of the Western Canada Lottery scheme, that even though they did reduce some of the operating costs, there is still some fixed costs that cannot be decreased. So it's expected there will be some erosion of the revenue.

**MR. R. BANMAN:** Is there any fact to the rumour that Alberta is also thinking of going on their own?

**HON. E. KOSTYRA:** No, not according to the present Minister in Alberta.

**MR. R. BANMAN:** What has the effect been of B.C.'s pulling out of the Western Lotteries Foundation as far as prize money is concerned?

**HON. E. KOSTYRA:** The only game that's been directly affected is the Western Express, the percentages remain the same but obviously the prize level has been reduced by the reduced sales, because of the one less province in. We don't have any specific. I'm told that B.C. sold half the tickets, so there's been that kind of impact.

**MR. R. BANMAN:** In light of the fact that the games have changed to almost the 6/49 format, very successful

with regard to the use of computers, what is the projection with regard to the tickets like the Western Express Provincial?

**HON. E. KOSTYRA:** The projections are that they still will continue to have a great deal of interest for a number of consumers, but they won't have the kind of growth that is being seen in the area like 6/49. Their growth is a bit more flat.

**MR. R. BANMAN:** The kiosks which are being operated in the large shopping centres. I think the government was trying to negotiate with the shopping centres so that they had the head lease. What has finally happened there? In other words, are the shopping malls leasing out the space themselves to someone who is selling tickets or having a 6/49 machine?

**HON. E. KOSTYRA:** The shopping centres lease the space.

There is an agreement that if the retailers lose their licence they will also be removed from the mall, that's part of the lease arrangement, the agreement with the shopping centres.

**MR. R. BANMAN:** There used to be a waiting list for 6/49 machines. Is there still a waiting list?

**HON. E. KOSTYRA:** Yes, there is still a waiting list. I'm informed the waiting list is about 40. There is going to be an addition of machines over the next few months that will meet some, if not all, of that waiting list.

**MR. R. BANMAN:** The Minister indicated earlier that the Lotteries Commission now has 93 employees. What is he projecting? Is he projecting that that level will remain constant now or has he included in his budget for some expansion in the next year?

**HON. E. KOSTYRA:** It'll be basically the same; if there is any increase it will be in the small numbers like one or two or three, but the budget for the next year is on the basis of 93 positions.

**MR. R. BANMAN:** One of the difficulties that some of the rural bingos have been facing is with some of the changes especially dealing with the break-opens. Some of them have been complaining that their profits have dropped. Has the commission done any monitoring with regard to what the effect is with regard to not the bingo halls here in Winnipeg, but to the small Legion or the small community club bingos throughout the province?

**HON. E. KOSTYRA:** Yes, the foundation is constantly in touch and working with the smaller bingos - the non-foundation bingos operations, let me put it that way whether they're in the city or in the rural areas. The experience is that many of them are doing much better under the new arrangements in terms of the operation of bingos. We've had correspondence from bingos to that effect. The area where there has been some levelling off, indeed, decrease has been in the sale of break-open tickets. That is being monitored to look at the reasons behind it, some of which, if one looks over the last few years there was starting to come a downward trend in the area of break-open tickets.

In terms of the bingo operations, there is becoming much more support for the changes and it's being viewed as positive not only in terms of the operation of the smaller bingos, the actual operations for the patrons, but also the - in terms of accountability if I could just give you one indication of that - there was a letter that we received from the Beausejour Centennial Social Club that says in part: "I was telling him what a difference the paper bingo made to operation. Last year we were using card bingo and we could not meet our own expenses on the bingo side. The only income we were getting was from the break-open tickets. In January of 1985 we decided to change to the paper bingo as suggested by the Lotteries Foundation. They say they did have some resistance for a few weeks but since our club was not the only one that switched to paper, our players came back. We are paying bigger prize money and also enjoying a better return. Thanks to the Lotteries Foundation for the assistance offered to small group bingos like ours, we average a profit of approximately \$225 after expenses. Our bingo is a night out for many senior citizens, some win, some lose, but all in all, we have a good time." That is just one - we have received a number of comments from small bingos.

There are a couple of the staff on the operation of the foundation who work as consultants to smaller bingo operators to help them with their operations, and if any bingos are experiencing difficulty they are encouraged to use the consultative staff of the foundation who can help them with their operation and, hopefully, maximize their income.

**MR. R. BANMAN:** The government has set up an equalization fund which represents 10 percent of the net proceeds. Can the Minister tell me what's in that fund? The annual report says that that fund is going to be used at the sole discretion of the government. First of all, can you tell me what's in there right now?

**HON. E. KOSTYRA:** I was looking for another comment that I wanted the member to be aware of and that was regarding Dauphin bingos, dealing with the Dauphin Kings, a hockey club that I'm sure the member is aware of where they are saying that they find the province's new regulations governing their activities are workable, if not a benefit to fund raising efforts. They say there's more book work involved in keeping track of the proceeds, but they think it's a good system because it provides for greater accountability.

The approximate balance in the equalization fund at the moment is about \$3 million.

**MR. R. BANMAN:** How much money is in the special reserve account?

**HON. E. KOSTYRA:** The account balance is 2.9; the actual balance is 1.9. Money was transferred from that account for capital purposes of the foundation, dealing with the purchase and renovation of a building for their use. The money is being paid back; it was, in essence, a loan from the account and is being paid back on a five-year basis by the foundation.

**MR. R. BANMAN:** \$3 million in an equalization fund which is building at 10 percent, and we've got a special

reserve now where we're going to have close to \$3 million; the Minister has 6.3 million in Cultural Affairs at his discretion. These are all - correct me if I'm wrong - accounts that will be run by the government and funds will be paid out by Order-in-Council. Is that correct?

**HON. E. KOSTYRA:** That would be the procedure if there were decisions taken with respect to those funds. There haven't been any decisions taken to date in terms of those funds.

**MR. R. BANMAN:** I guess, Mr. Chairman, it just sort of reinforces my earlier statement. We're putting money all over the place. We've got 3 million in special reserve; we've got 3 million in an equalization fund; we've got 6.3 million in Cultural Affairs - is there any other discretionary money in accounts somewhere?

**MR. CHAIRMAN:** The Minister of Health.

**HON. L. DESJARDINS:** My honourable friend talks about the money that is under Cultural Affairs and I guess you could also add in the Department of Health for Sports. Well, it's the same thing. There's money that comes to Sports and there's money that goes to Cultural Affairs from the Lotteries. And I think that unfortunately at times some of these groups have been short-changed because in difficult times it's always been said, well, charge it to Lotteries.

So it is understood and I'll speak only of my Department of Health through Sports. I count on that for my Estimates. It is the way it is. It is the flexibility that we have in those programs. We've tried to conduct those that are absolutely necessary, through the Estimates, and then the others fluctuate. My honourable friend knows that because he's transferred revenue to the Sports Federation but also a responsibility that was that of the government before.

Now the equalization . . . one of the reasons for that was because it was something new. It was so difficult to see if it was fair, but eventually I guess the government could make a resolution and a program or something and I would imagine that the Minister would announce that, if that is the case, but that wasn't necessary. The member seemed to think that there's money all over the place. It think that was necessary at this time because it is new and it was announced and it will be reviewed like everything else to see what will happen. There won't be the need of all this money later on.

**HON. E. KOSTYRA:** Just in response, I thank both members for their comments. In response to the question, there is no other funding source in Lotteries, in terms of the Provincial Government, outside of the two that we've just talked about and the transfers that go to the Department of Culture, Heritage and Recreation and Fitness and Sport.

**MR. CHAIRMAN:** The Member for La Verendrye.

**MR. R. BANMAN:** How much more will Cultural Affairs, which receives 33.5 percent of total revenue and the Department of Health, the Sports Directorate, which receives 12.2 - what kind of an increase are they expecting this year over last?

**HON. E. KOSTYRA:** The portion that's estimated to go to the department, or available to the Department of Culture, Heritage and Recreation would be about \$8.4 million and the Department of Health would be just over \$3 million, which are, I think, a little bit higher than what was available for this current year end.

**MR. R. BANMAN:** During the Estimates, the Minister in Cultural Affairs gave us a figure of \$6.3 million. Is that '84?

**HON. E. KOSTYRA:** No, that's what we are spending or planning to spend this year. We are not spending all the money that's made available. I don't know if the member will recall, the money is held in trust and it doesn't necessarily all have to be spent. In fact, it would be my intention, in terms of the Department of Culture, to ensure that there's some money left in the trust account because in the lean years, in 1980-81 into '82-83, there was a lowering of money available which meant that the programs had built up and the actual revenue was less than the programs, which then you get into the position of having to cut back; so our intention is to try to build up some reserve in the departmental account without spending everything that's available in case they drop down considerably, because no one can project the future, if there will indeed be growth or if it will level off or if there may be a reduction in monies being spent on lotteries in the future.

**MR. CHAIRMAN:** The hour being 4:30 p.m., we are interrupting the proceedings of this committee for Private Members' Hour. The members of the committee shall return at approximately 8:00 p.m.

## SUPPLY - AGRICULTURE

**MR. DEPUTY CHAIRMAN, D. Scott:** Committee, come to order.

The Member for Turtle Mountain.

**MR. B. RANSOM:** Thank you, Mr. Chairman.

I'll put these questions to the Minister now because with the federal Budget coming up shortly, I am going to have to leave the Estimates, even though the Minister's staff are not here.

I have some questions about land that was put up for sale by MACC, for lease, and I would like to put on the record initially that, I, personally had bid on a piece of land that MACC had put up for sale. I'm not especially interested in information about that particular piece of land, but about the way that they've been handled generally.

I would like to know how many pieces of land were put up for sale; how many of them were sold; what the prices were of those that were sold. Another piece of information that would be useful, but I would understand why the Minister might not make this available attached to a particular piece of land, and that would be, what were the bids, or at least the highest bid that wasn't accepted. I don't care whether it's attached to a piece of land, but I would like to know, for a representative number at least, what the bids were that were turned down, the reason being because the government then went to a five-year lease program on some land, perhaps all of it.

So another question would be, how many pieces of land that were not sold were then put up for five-year lease? I would like to know what the terms of the leases are for those pieces of land that were subsequently leased. Are they crop share, are they cash rent and so on.

But I'm particularly interested in knowing how the lease returns that MACC is going to get from some of these pieces of land, stack up against the highest bids that they had for the sale of that land. Because this is relevant, not only to the return for MACC but to the value of farmland out there generally and what is going to happen if the banks have to go ahead and put land on to the market. MACC has evidently found that they could not get what they thought was a fair price for a goodly number of parcels of land and chose to hold on to it and rent it.

I first of all want to know whether that rent is really a better return than it would have been to sell, and I'm interested in knowing what position the banks will find themselves in, and of course the position that the farmers will consequently find themselves in if banks are forced to begin to sell land and reduce the price of land, because I know that's part of the reason why MACC didn't wish to dispose of some of those pieces of land, because they didn't want to contribute to reducing the price of land either.

So if the Minister could indicate to me whether he can make that sort of information available, or whether there's some of it he doesn't want to make available.

**MR. DEPUTY CHAIRMAN:** The Minister of Agriculture.

**HON. B. URUSKI:** Yes, Mr. Chairman, we'll attempt to have staff get the information specifically on as many of the questions as we can provide.

I just want to raise one matter in reply to the honourable member dealing with the banks having to put land on the market. Mr. Chairman, I'm advised that we have not had one application from the financial institutions to the Farmlands Board to deal with the question of land and deferral in terms of application for time extension. The member should be aware that in the Province of Saskatchewan, under The Farmlands Act, the time period is two years, not three years as it is in this province, and there doesn't seem to be any difficulty for the financial institutions in that province in terms of dealing with the legislation.

But up to this point, when I answer the questions, the member posed those questions to me a number of days ago, I went back and checked with the Farmlands Board just to find out specifically what the situation was and we did not have one application to us on extensions or process from the institutions and certainly when applications come in they will be viewed.

The honourable member asked a number of questions and we'll try and get the details put together for him, possibly this afternoon. Staff will work on the questions that he's raised. I'll get them as quickly as I can.

**MR. B. RANSOM:** I wonder if I could just repeat to the Minister then, and perhaps get the specific answer from him. Can he provide to me a value, the appraised value for the parcel of land, the highest bid, and what the rental arrangement now is for the five years? I don't

need to know - I don't want to know - what piece of land that is. I don't need it identified by section and township, etc., but just Parcel A, the government's appraised value, what the highest tender that they had for it was, and what the rental arrangements are that they have entered into. Does the Minister see any problem in providing that information?

**HON. B. URUSKI:** Mr. Chairman, we'll certainly endeavour to get that information for the honourable member. The member should be advised that they're two separate processes. When the bids that came in did not come in at above or at least the appraised value to the corporation, then the land was taken off the market and tendered and released for the five-year period depending on the condition of the lease. We'll endeavour to get that information for him.

**MR. B. RANSOM:** Well, that's exactly what I understood it to be, that there were pieces of land put up for sale. There were tenders. Some of the tenders were not high enough. They apparently didn't meet the appraised value and they were subsequently leased. I'm only interested in those that are leased for five years. If some are leased for one year, I don't have any interest in that. Other of my colleagues may.

It's just a question of can the Minister provide that and if he has any difficulty with the piece of land that I bid on, I don't care if he leaves that one out. That's of no consequence.

**HON. B. URUSKI:** Mr. Chairman, those that were tendered for lease are all five-year leases, so we'll endeavour to put all that in . . . — (Interjection) — Pardon me. Tenders for lease.

Those that were tendered for sale and were not sold were subsequently tendered for five years or there were some other leases as the member points out that were leased for one year, short term and may be tendered again this fall. That's an ongoing process.

**MR. DEPUTY CHAIRMAN:** The Member for Arthur.

**MR. J. DOWNEY:** Along the same vein, Mr. Chairman. I will see the kind of information that the Minister provides and we may want a little broader picture. I ask him specifically, and I had two calls in particular, dealing with people who have put in lease applications for some of this land and in both cases initially were unsuccessful in obtaining the property. Upon request of the corporation, they asked if they could, in fact, see the other tenders or to substantiate that they were, in fact, not eligible because they weren't the highest. Were the highest tenders in all cases accepted on those five-year leases?

**HON. B. URUSKI:** The information, Mr. Chairman, I think there is one or two instances where the highest tender was not accepted on the leases, but we'll get the information for the honourable member and the background.

**MR. J. DOWNEY:** Why would that be the case? Why would it be if it is public property and offered for lease for highest tender and then the highest tender not

accepted? I think it's of public interest probably to accept the highest tender, but I would like to know as to why. As well, will the Minister provide for us in the information that he's going to be assembling, the bids that are available or that were presented to the corporation for these lease properties?

The individuals who had questions asked if they could get it. They couldn't. I know prior years in questioning in Estimates where the member who is now the Minister who was opposition and went to many hours, he and the Member for Lac du Bonnet, to find out some specific information which they accomplished in getting. I'm asking the Minister today why he would have any trouble in providing that information when he was so adamant in opposition about getting it? I ask him specifically about why the highest tenders were not accepted in the lease cases?

**HON. B. URUSKI:** Mr. Chairman, I'm reading the awarding the policies of the . . . and dealing with leases. I'll read it into the record.

It's generally intended that our leases be awarded to the highest bidder, however, leases have been awarded to a lower bidder on an exception basis due to one of two circumstances (a) where, in the opinion of MACC management that the highest bidder does not have the ability and/or the desire to make the lease payments. Out of the 65 parcels tendered for lease this spring, three tenders were declined on this basis. This has been MACC's practice since 1980.

That's one of the reasons in terms of not accepting.

Mr. Chairman, there is a policy that was set by the board where a former owner of land submits a tender to lease back his/her land base, that the details of his/her tender and situation be submitted to the board together with the details of all prospective lessees. It was felt that former owners should receive consideration since the lease may, in some circumstances, permit the person to re-enter agriculture.

Although not spelled out in the resolution, favourable consideration would be given based on the following criteria; the reasons for the previous failure of the farm; access to adequate equipment and operating capital; the feasibility of the proposed farm plan and; the management capabilities of the individual.

That was the two bases on which the corporation would have made an exception to allowing tenders for leases of land other than the highest bidder. Those are the only two. And out of 65 that were tendered, three were declined on the basis that did not have - just to be clear, there were actually five exceptions made out of the 60. Dealing with former owners, one individual was the highest tender and submitted a feasible plan of operation. One individual submitted the highest tender but was declined the lease based on original reasons for default, as significant portions of MACC's original security was sold without MACC's knowledge and the proceeds of the sale were not forwarded to MACC. So even though he was the highest tender, they did not accept him as a bidder.

The third one, one individual was awarded a lease on part of the property he previously owned. They didn't allow the entire property to be leased back. This individual's tender was not the highest but was within - well I'll be exact - was only \$644 a year lower than

the highest tender and he had a feasible plan of operation, but did not receive the entire land base that he had previously.

The balance of the land previously owned was leased to another individual as his tender was significantly higher and he received the award on that basis.

**MR. J. DOWNEY:** In the awarding of the tenders that were not the highest, were they the next highest bidder to those individuals that were at the top of the bid?

**HON. B. URUSKI:** I'm advised that management believes they were the second highest bidders, but I don't have the information. I am not privy to the tenders. If the member wants us to double-check, we will certainly check, but in the recollection of our general manager, they were.

**MR. J. DOWNEY:** I appreciate that, Mr. Chairman. I will check a little further with the individuals who wanted the information, so that I can assure them that they were treated fairly, and when we receive the information which the Minister has committed to us on the leases, then we will proceed to do so. I think, however, it would be in his best interests, as Minister, to check into it, to make sure for his own benefit, because he's given the opportunity now to disclose if, in fact, the next in line was not.

I have no difficulty with maintaining a person on a farm if they've lost the land and there's a negotiated settlement. I think that's an acceptable practice. But I do think, when it is dealing with other individuals and the highest tender is not acceptable because of former business practices and carrying on with MACC which is not acceptable, then the next bidder in line, the next tender in line should be the one who is accepted. That's really the question in those cases - was it in fact the next bidder, the next highest tender accepted?

**HON. B. URUSKI:** Mr. Chairman, I want to confirm for the honourable member that that, in fact, would be the case with one exception. Unless the second in line could be in the same circumstances as the first in line in terms of tender and the difficulty that the corporation and the asset, that would be the only - but having two in a row - but that is a possibility. It could occur.

**MR. J. DOWNEY:** That's the concern that I have because there could be a judgment call by the credit corporation which may, in fact, not treat fairly those people who bid the property. That's really what I'm trying to get at to make sure that each and every person who bid on property for the five-year leases was not, in fact, disallowed by the system the opportunity to lease property because of a judgment call that in their judgment, they could not for some reason, meet the requirements of MACC, and in fact were qualified.

I will be asking questions further on this and the Minister, I would hope, in his information that he provides for us, will give us the specific details on those ones, so that in fact we can make a determination as to whether the corporation has acted fairly in the allocation of the leases.

Another question, dealing with the sale of land - but before I get dealing with the sale of the land, I would

like to know how many farm foreclosures the Manitoba Agricultural Corporation has processed in the last four years, since this Minister has taken office? Seeing as we've had a series of tremendous increases in farm bankruptcies in Manitoba, I would like to know what the record of the Manitoba Agricultural Credit Corporation is on farm foreclosures.

**HON. B. URUSKI:** We'll try and have the information for the honourable member on that one parcel where there was a deviation because of past practices with the corporation. I'll try and get the details, in terms of confirming whether the second highest bidder did receive the award on that one parcel.

The other two parcels, the honourable member indicated he had no difficulty with because they were in fact the previous farmers. If my understanding is different from the honourable member, I wish he would tell me, because I just want to make sure I understand him. Those two parcels where we awarded it or portions of the land base to former farmers on a negotiated basis, that was a deviation; but the one where we did not award is the one that I want to confirm for him that in fact the second highest bidder to the one that was not acceptable to the management of the corporation did occur and we'll try and get that information for him this afternoon.

On foreclosures, Mr. Chairman, in the four years that MACC - three foreclosures corporation-initiated.

**MR. J. DOWNEY:** Mr. Chairman, to clear up the lease question as far as I'm concerned - if the Minister provides the information that he indicated to the Member for Turtle Mountain, in that information that he's providing he wants the lease, the appraised value of MACC, the lease return. I would think it would be quite easy for the corporation to put in that information the bids on the leases at the same time. If there were four people bidding on a lease, those leases and those bids would be made available to us.

I can see why he would have difficulty with that because again during his term of opposition he insisted in knowing the numbers, the names of all those people who bid on MACC land when we were selling it. Now I ask the same question. I want him to provide that as far as the five-year leases are concerned. As well, I want him to provide the sale tenders, the bids, and the people who were successful and who weren't. The precedent has been set. That information has been made available. I would expect it could be carried out at this particular time.

**HON. B. URUSKI:** Mr. Chairman, let me try and put it forward. We would have the appraised value in one column with parcel one, two, three, four, five. In the second column, the unacceptable tenders, the highest unacceptable tender, and then in the third column the number of bidders and the bid that's accepted for lease. There are also the purchases so there's - okay, we'll try and sort it out without identification. Is that acceptable to the honourable member?

**MR. J. DOWNEY:** Mr. Chairman, I can see no reason why the Minister wouldn't want to identify them. He insisted on that information when he was in opposition

and I have no real particular need to have them identified, but I'm not going to say to him at this particular time that at some point I may not want the identification of those individuals. I would like the information as he presents it, and I may at some point in the future want some additional information on it, after we've had a look at the preliminary information.

Just a further question dealing with the foreclosures. In what year were those foreclosures carried out?

**HON. B. URUSKI:** One, I believe, was in 1982, and two were last year, in 1984. Mr. Chairman, the sales through MACC are actually public documents. The O/Cs are there; the sales go through Cabinet in the same manner as they did when he was in office so all the sales are public documents. They're recorded.

A sensitivity that I have, and I want to share with the honourable member, is the question of leasing and letting the actual information on who bid and what, on the leasing of land and that's the difficulty, because they were, in fact, tenders. That's where I would have the sensitivity.

On the sales - the sales of public documents and the names are there and the purchase prices are there, so those are recorded through Orders-in-Council so that is available for the honourable member if they want to get it. It's the one where we tendered for lease, we will number them in the manner that I've indicated.

**MR. DEPUTY CHAIRMAN:** The Member for Minnedosa.

**MR. D. BLAKE:** Mr. Chairman, I forwarded the Minister of Agriculture some information a while ago that he was going to look into and get me the information on some property south of Rivers that a Mr. Harvey had asked me to get information on.

He had had the lease on the land and then he wasn't the highest bidder and it wasn't leased and he was trying to find out who got it in order to make arrangements. It was adjacent to his property. He didn't want cattle getting out, not knowing who belonged to them and eventually I think that resolved itself because the bidder found that he didn't want the land or couldn't handle it and I believe Mr. Harvey subsequently got it. I just wonder if the Minister was able to get that information for me or if he could confirm that.

**HON. B. URUSKI:** Mr. Chairman, I'm given to understand that between the corporation and Mr. Harvey discussions did take place and that information was passed on to him. I would not have communicated directly that information. In terms, it would have had been through discussions between staff and Mr. Harvey and I'm advised that those discussions did occur.

**MR. D. BLAKE:** Yes, I communicated with the staff on it and they indicated that if they received a directorate from you to give me the information that they would give it to me; so I imagine that they have a gag clause, in terms of employment, as well as some of the other contracts.

**HON. B. URUSKI:** I just want to make it clear that in terms of information, we have not been releasing

information of everybody's bid. We have not done that. Unless an individual calls specifically to find out, then information is revealed to a specific, whether he was the highest or not the highest bidder, but the information is not published in terms of actual dollars per acre or whatever the annual lease may be, depending on how people submit their leases.

That information is not put back and given to all those who bid. We have not had the practice. We've checked practices of our neighbouring provinces, Saskatchewan and Alberta, and we've tried to see how they have carried on and basically the process is the same. Unless someone actually calls and asks and says, am I the highest bidder, then he's advised. Otherwise, there is no specific notification of who the highest bidder was on a lease basis and that's generally the acceptable form of process that's been handled by the three Prairie Provinces, in terms of the leases.

There is that sensitivity of people saying, you know, are you going bandy about what I paid for that lease out in the public, and that's generally the sensitivity that we've followed on the lease tender. But if someone calls and wants information on his bid, that information can be conveyed to him, but not all information is revealed to all the applicants.

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

**MR. A. ADAM:** Thank you, Mr. Chairman.

I want to ask the Minister if, in regard to foreclosures, if there were any foreclosures during the period of '77-81? The members are laughing, but my understanding is that there was one difficult case during that period. I'm wondering if it's still resolved.

**HON. B. URUSKI:** Mr. Chairman, I'd have to try and get that information. We know that there were foreclosures in previous years but I can't give the honourable member that information because we haven't got it. We'll try and get it and take it back over the last, say, 15 years and see what the numbers tell us.

**MR. DEPUTY CHAIRMAN:** The Member for Gladstone.

**MRS. C. OLESON:** Thank you, Mr. Chairman.

I rise on a matter for a constituent and I'm afraid probably that it affects maybe more farmers than just this particular constituent.

A few days ago or weeks ago, I sent a copy of a letter to the Minister in which my constituent, who I will not name at this point, outlined his problem with getting his MACC interest rates lowered. To back track just a little bit, on March 15th the Minister put out a press release which says, and I quote, "Agriculture Minister Bill Uruski has announced a program to reduce Manitoba Agricultural Credit Corporation interest rates to 8 percent for the current fiscal year."

Further along it says, and I quote, "The reduction of MACC's interest rates will provide assistance to up to 4,000 farmers in Manitoba, most of whom are younger or beginning producers."

This constituent wrote me because he had applied to have his interest rate reduced and I will read from his letter just to refresh his memory on the problem,

and I quote, "The interest on my loan during the year 1984-85 is 13 percent. On March 27th, I phoned the MACC office in Portage la Prairie to inquire whether I should pay the installment April 1st or wait until the reduced rates were calculated. The MACC representative advised me to make the payment with interest at 13 percent and rebate would be mailed out to me. Two days ago I received the enclosed statement from MACC which shows my 1983-84 account. I phoned the MACC office at 1500 Notre Dame Avenue in Winnipeg. I was informed that it was decided that they were to use the 1983-84 fiscal year, instead of the 1984-85 year end. 1983-84 was the last year of my Young Farmers' Rebate Program with the interest rate at 6 percent. Thus I was not eligible for the Interest Rate Reduction Program. Mr. Uruski has announced in the papers and also in the letter which accompanies my statement that this reduction was for the year 1984-85. In my opinion, this could almost be classified as false advertisement on the part of the NDP Government."

I wonder if the Minister has had an opportunity to look at that particular problem and could explain to me, to the people in this Chamber and to the young farmer who is having this particular difficulty, just why he would be refused a lowered interest rate since, if he had been paying 6, he was more than doubled at 13 percent.

**HON. B. URUSKI:** Mr. Chairman, possibly the honourable member, if she would like, maybe . . . I don't know, I haven't seen the letter or maybe I have seen the letter. I would like her, if she wants to keep the anonymity of the individual so that I could have a good look at the letter. I'm not sure that I understood the full point of her letter. She would remove whatever she wants to remove to protect the anonymity. I'd like to have a copy of the letter so that we could have a good look at it so I could intelligently respond to her.

I couldn't catch the full information of that letter from the honourable member, Mr. Chairman, and if I could have a copy of it and if she doesn't want, if she wants to protect the anonymity of the individual, cross that off or white it out or just give me the meat of the letter so that we can respond to it. I didn't catch the full text of the letter. I'm sorry, Mr. Chairman.

**MRS. C. OLESON:** Well, as I said at the beginning of my remarks, the letter has been forwarded to the Minister's office and I have a letter dated May 6th which says, and I quote, "Please be advised that your correspondence has been placed on Mr. Uruski's desk for his attention," and this being the 23rd, I had hoped that perhaps he'd had a chance to look at it; but I will just summarize the problem.

The young farmer, instead of having the MACC use the 1984-85 interest rates that he is paying, they reverted back to the 1983-84 and said that, well, he was being treated fine now, that he wouldn't need to have his rates reduced.

**HON. B. URUSKI:** Mr. Chairman, in terms of the process, the corporation did the calculations in this way and I'll try and give the honourable member the

example. To say Farmer A had a loan that interest was payable on say November 1, 1984, that's when the interest was due; however the period for which that interest was due was from November 1983 to November 1984. That would have been the period covered but the payment was due on November 1984 and that's how the calculation was made; at the date and time during the fiscal year 1984-85, when the payments were due. They would have been due for a period back, in fact, or up to that, but that would be the current interest rate payable and that's how the calculations were made right down to 8 percent.

As the member knows, and I believe she does, that those farmers who had a portion of their loans on the young farmer rebate, in fact would not have received any benefit, but they would have received a benefit on the additional portion.

The \$2 million was never part of the announcement in terms of the write down because the \$2 million was already there in the young farmer rebate, and the total allocation would have been with the young farmer rebate in the neighbourhood of \$8 million and the actual write down was in the neighbourhood of \$6 million that we announced.

**MRS. C. OLESON:** Mr. Chairman, I'd just like to remind the Minister, in putting out the press release that he did on March 15th, which stated that rates would be at 8 percent, naturally people reading this material, which is widely circulated in most of the weekly newspapers in the province, were led immediately to believe that hurrah, they would be able to get this 8 percent interest. It set up a false hope in their minds and I just remind the Minister the folly of this type of advertising.

If you're going to reduce some people's interest rates to 8 percent, then say it, tell it like it is so that you don't mislead or appear to mislead the people that are hoping for some relief from interest rates. I would be surprised if this was the only case in the province where young farmers were treated in this way. I hope the Minister, when he makes announcements of this nature in the future, will bear in mind just what sort of hopes he's building up in the minds of the people he's trying to serve.

**HON. B. URUSKI:** Mr. Chairman, I'm pleased that the honourable member raised that point. I want to tell her that we did get some calls, calls in fact from FCC clients, to see whether or not they could get into our program, to get 8 percent. That was the message . . .

**MRS. C. OLESON:** It looked real good, yes.

**HON. B. URUSKI:** Mr. Chairman, that was the message we were trying to send to her colleagues in Ottawa. We hope that tonight's Budget will in fact bring about some of the changes that were talked about last November at the Agricultural Minister's Conference on agricultural credit.

There were a number of issues raised at that conference which were at that time rejected. Since then there was a parliamentary committee studying farm issues and tax issues, whether some of those changes in fact will be made for farmers. But clearly the

announcement that we made, we had no difficulty with farmers understanding the situation. We maybe had three or four letters of the type that the honourable member - out of almost what, 3,300 farmers, Mr. Chairman.

The program was well understood because it was a message to Ottawa that we were not prepared and we still are not prepared to live under the atrocious, insane, high interest rate policy that has been carried on over the last six years.

So, Mr. Chairman, the honourable member is right that there were concerns. They were concerns that why couldn't FCC, why couldn't the Federal Government do it and why couldn't the private institutions do that? Because we did put our money where our mouth was and that — (Interjection) — oh, Mr. Chairman, the honourable members can speak all they want.

Mr. Chairman, the fact of the matter is that we did receive national attention. We received national attention and, in fact, Mr. Chairman, the farm community right across this country, in fact in the Ontario election, what did we hear in the Ontario election? A commitment by the Conservative Party to provide farm loans to farmers at 9.75 percent, Mr. Chairman. — (Interjection) — Mr. Chairman, I am pleased to say that some of the moves that we made here in the Province of Manitoba, I am sure, were reflected.

In fact I was told recently in the Ontario election there was a move that was made by the Liberal Leader in his campaign in the Liberal agricultural policies in Ontario he touted our five-point program as he went around the province and he thought it was fairly catchy, Mr. Chairman, and it made sense. When our members looked at it, they say hey, this is the Manitoba platform; he says, yes, but it's a good program. There are good points, Mr. Chairman.

So obviously the information that was put out really was accurate, not only accurate, it really was not only well-received but it was clear. I know that there were farmers, there was the odd one, that said, hey I've got the young farmer rebate, give me another 4 percent, and we said no. That was very clear in the announcement.

**A MEMBER:** No, it wasn't.

**HON. B. URUSKI:** Oh yes it was.

**A MEMBER:** I didn't realize.

**HON. B. URUSKI:** Oh, yes, it was, that the young farmer rebate was not part of the program because it was . . .

**A MEMBER:** Didn't say that.

**HON. B. URUSKI:** Mr. Chairman, during the announcement — (Interjection) — during the press conference, I was questioned by the press. Well, Mr. Chairman, it was clear, because if the announcement had included or an additional amount there would have been an additional \$2 million to cover off the young farmer rebate. That's what it would have been, Mr. Chairman, and in fact there were no great difficulties in terms of the announcement at all.

**MRS. C. OLESON:** Mr. Chairman, I'm really frankly rather amazed to sit here and listen to the Minister say that he, in sending out a press release, played upon the hopes of young farmers of this province in order to get at the Federal Government. If he wants to get at the Federal Government then get at them directly, don't get at them through the hopes and aspirations of the farmers of Manitoba.

I'll quote again from his press release of March 15th: "The reduction of MACC's interest rates will provide assistance to up to 4,000 farmers in Manitoba, most of whom are younger or beginning producers." Now if that didn't tell the young farmer or young producer that he would get help, what did?

The Minister also mentioned a moment ago that 3,300 farmers received help with this. What about the other balance of them from the 4,000 he mentioned in the press release?

**HON. B. URUSKI:** Mr. Chairman, the honourable member should be aware that the average age of MACC clients is 28 years of age, the average age of all our clients. Mr. Chairman, if those are not young farmers, I don't know - who are the young farmers of this province?

**MRS. C. OLESON:** Right, that's what I am saying, and they were the ones you were going to help?

**HON. B. URUSKI:** Well, Mr. Chairman, we helped every client of MACC. Where are your colleagues in Ottawa? What did you say? Where is the FCC's 8 percent interest rate, Mr. Chairman?

**MRS. C. OLESON:** Go tell them directly, don't tell them . . .

**HON. B. URUSKI:** What better move than to have the farmers of this province and in Manitoba and Saskatchewan and Alberta and in Ontario, right across this country, telling a national government that they should lower their interest rates and change their monetary policy? That's the message that they should be saying. The honourable member should be standing on her roof top when she goes home to Gladstone and saying, those damn Conservatives in Ottawa, those Liberals didn't do it, let's do it here.

**MR. DEPUTY CHAIRMAN:** The Member for Ste. Rose. I do not appreciate comments coming from the Member for Pembina and reflecting on the Chair. If the Member for Pembina does not have satisfaction with who the Chair recognizes, then I would suggest the Member for Pembina think twice his position, if you don't mind.

**MR. D. ORCHARD:** Mr. Chairman, on a point of order.

**MR. DEPUTY CHAIRMAN:** On a point of order - the Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, there has been a long-standing tradition in this House that you alternate sides of the House in question period . . .

**MR. DEPUTY CHAIRMAN:** It's not a question. It's not a point of order, it's not a point of order at all.

**MR. D. ORCHARD:** . . . as well as during Estimates and if that isn't a point of order, Mr. Chairman, we might be able to make one.

**MR. DEPUTY CHAIRMAN:** It's clearly not a point of order. It's not a question of alternating back and forth from side to side in the House.

The Member for Ste. Rose.

**MR. A. ADAM:** Yes. I raised a question about the foreclosures during '77,'81 and there was one case in particular that came to my attention that was a very difficult case. My question was - and I want the Minister to be clear on it - I wanted to know whether that case had been resolved or whether it's still pending.

I wanted to ask another question of the Minister as well along the same lines. Could the Minister provide information as to how many long-term leases were terminated during that same period of 1977 to 1981? I'm referring to long-term leases now.

**HON. B. URUSKI:** Mr. Chairman, when we get the information on the bankruptcies, we'll also provide the information on the long-term leases that were cancelled during that period as well.

**MR. DEPUTY CHAIRMAN:** The Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, I just walked in as the Minister was spewing some of his vitriolic remarks at the Federal Government. I came in specifically because it was appropriate in MACC Estimates, when we're talking long-term land investments, etc., to inform the Minister of Agriculture and the House that the Federal Government has just made a complete exemption on capital gains.

If there is one government in this country that's sensitive to the farm community, it now exists in Ottawa, not these people over here who play loose lip service to agriculture, play shabby politics with the farm community. The Six Million Dollar Man has not done anything nearly comparable to that one issue that was addressed today in the federal Budget. I don't know how that this Minister of Agriculture and his government are going to be able to criticize and pick a fight with the Federal Government in agricultural policy on that area now.

You see, Mr. Chairman, the Minister now has had given to him probably the one area that was the last thorn in the side of agriculture in terms of severe constraint on land transfers, etc. They're going to give him a bonus in Manitoba because the farm community is going to benefit. Nothing of his doing, but the farm community at large will benefit substantially from the removal of capital gains and a healthy farm community in this province still is the driving force behind a healthy Manitoba economy.

I think that is one move made by the Federal Government that certainly deserves a lot of accolades and will receive a lot of accolades in the farm community.

**HON. B. URUSKI:** Mr. Chairman, I'm pleased to hear the announcement made by the Member for Pembina on behalf of the Federal Government. I just hope that there's more than that, Mr. Chairman. If that's all there

is, Mr. Chairman, truly the farmers of Canada are in great difficulty. They have really been sold down the drain, but I'm hoping that there is much more than what the honourable member has said. — (Interjection) — I'm hoping as well. I'll be clearly waiting for the conclusion of the Budget to see what changes, in fact, are being made to agriculture.

Clearly, Mr. Chairman, that change is really not very much because let's remember that there was a provision in legislation that farmers could, in fact, purchase up to \$120,000 of Registered Retired Savings each. — (Interjection) — Well, Mr. Chairman, that's probably now gone and been replaced with this which means nothing then, which may be totally meaningless, I don't know.

I have heard from the Member for Pembina so I'm only taking his argument. He's saying it's silly. Well, I'm using his words to see how silly I am, Mr. Chairman. — (Interjection) — Okay, I'm speculating, you're right. I am speculating. Let's see what will come about in the Budget, and he obviously is going to listen to see whether there is much more in that Budget and I'll certainly be very interested to find out.

To finish off what I was saying, Mr. Chairman, this government made a commitment in 1981 to remove a portion of capital gains and campaigned on it and moved on that promise the first year we were in office and it was done. The Minister of Finance did that. There was nothing new and untoward in terms of commitments to agriculture. We made them, we kept them. Mr. Chairman, we'll see what the Budget has for the farmers of this country that's coming down this afternoon.

**MR. DEPUTY CHAIRMAN:** The Member for Morris.

**MR. C. MANNES:** Mr. Chairman, I'd like to indicate to the Minister that I, too, had two phone calls with respect to the announcement made on March 15th where the Minister indicated that MACC was reducing interest rates to 8 percent. It came from individuals who were a part of the other program, the Youth Start-up Program brought in by the other administration . . .

**A MEMBER:** The Young Farmer Rebate.

**MR. C. MANNES:** . . . the Young Farmer Rebate.

I suppose I have to be critical, not of the program, but whoever who wrote this press release because nowhere do I see where there is a clear indication that those people were receiving rebate under that program were to be excluded or to have some type of deduction removed. Could the Minister tell us why? — (Interjection) — Well, Mr. Chairman, the Minister says what reduction? Individuals have either heard the program announced on the media or maybe some report written we're led to believe that there would be a further reduction of some thousands of dollars depending on their particular loan amount. They were led to believe that there might be a double rebate in place. That was their understanding.

Now, I asked the Minister why, in fact, he wouldn't have put it into the press release, that indeed those individuals that were receiving rebates under that first program were not eligible for that level of rebate under this program?

**HON. B. URUSKI:** Mr. Chairman, the level of the interest rate that was being set was 8 percent. Mr. Chairman, we did not include the Young Farmer Rebate as part of that. If the honourable member is saying that we should have made the announcement and said we're now going to put \$8 million on the table and included the \$2 million in the Young Farmer Rebate, wouldn't that have been a sham, Mr. Chairman?

**A MEMBER:** I wouldn't say that, Billie.

**HON. B. URUSKI:** Well, Mr. Chairman, that's precisely what the honourable member is saying, because we said the loans would be reduced to 8 percent. If someone on the Young Farmer Rebate Program was already receiving loans at 8 percent, where would one deduct that there would be an additional benefit coming? I can't see that and I don't believe there was anyone - not I, certainly - would have conveyed that kind of information to the public in terms of the press conference and the press release. That certainly was not conveyed.

**MR. C. MANNES:** Well, Mr. Chairman, I'm not going to belabour the point. Yes I can see, within the press release, reference made to those individuals paying in excess of 8 percent who would be eligible for the new program of rebate. However, I dare say that there are individuals out there, maybe some below the age of 28, who recognized the total dollar of the rebate under the other program and may not relate it to some figure of interest rate.

Now I asked the Minister, specifically, when he made the press release, why he wouldn't point out most definitively those individuals who were garnering rebate under the former program, would not be eligible under this particular program?

**HON. B. URUSKI:** Mr. Chairman, I will check the press release. If the honourable member has one in front of him, please send it over and let me have a look at it. I don't have it in front of me, but I'll check it just to be doubly sure. I haven't got it in front of me. — (Interjection) — Well, you can read it. Then read the whole thing. Read the announcement.

**MR. C. MANNES:** Mr. Chairman, the Minister is correct and I said, because I read part of it and I'll quote, "The program, which will cost Manitoba \$6 million provides rebate to MACC clients who have paid interest expenses in excess of 8 percent on corporation loans in the current fiscal year ending March 31st, 1985."

I have no quarrel with that. That covers the Minister. My point is - and it's a small point - that individuals reading that, who were part and are part of the former loan, may not totally understand that, felt that they were available under this additional loan rebate; and I asked the Minister why he wouldn't put, specifically within this report, an indication that those individuals who were receiving rebate under the former program were not eligible for this.

Mr. Chairman, the Minister asks for the press release. That's the only reference made to an individual who may be in the situation which I have indicated. Mr.

Chairman, I'm prepared to, if there's a Page present, - I guess there isn't one - I would give him this copy.

**HON. B. URUSKI:** I am pleased. Let me go one paragraph below what he read. Mr. Chairman, the member said that the interest reduction applies to loans provided under MACC's Regular Lending Program. The program that he makes mention of is a special program, is the Young Farmer Rebate Program, Mr. Chairman. That's the two points that we raised. It applies to loans provided under MACC's Regular Lending Program, including those with five-year renewable terms, those renewable terms that were raised by the Member for Turtle Mountain.

**MR. C. MANNES:** Mr. Chairman, I won't push this any further. It's a matter of semantics and the Minister, by his wording, feels he's well covered. All I'm saying is that to those individuals who were under the program previously, don't really understand whether it's a regular program, in many cases, or a special, the one that they'd entered into some years previous. All I have indicated is that there are people out there who thought that maybe they were going to get a double rebate, in a sense, and I think the press release, in all government respects, and particularly within Agriculture, could be made a little clearer to indicate to those individuals who would not be allowed a rebate under this type of system, let them know directly by way of the press release. That's my only point, Mr. Chairman.

**HON. B. URUSKI:** Mr. Chairman, in terms of the specifics of the press release, I accept the honourable member's points, in terms of his comments. I want to say I will go back and look at the press reports as to actually how they were written up because I know those questions, because this doesn't go to farmers. This wouldn't have gone to farmers as well.

I do recall, during the press conference, being asked by a number of reporters - and I remember commenting that this did not include the Young Farmer Rebate Program because that was an additional \$2 million and those farmers on the Young Farmer Rebate Program were not eligible because their loans were already at 8 percent and that I do recall. But I guess the real key to this is what actually was written in the papers rurally and I know the Co-operator certainly was at the press conference and others and there that question certainly was raised. I'll just go back and check the clippings from the Co-operator and see how that was covered.

**MR. DEPUTY CHAIRMAN:** The Member for Arthur.

**MR. J. DOWNEY:** Mr. Chairman, I want to follow along a few of the comments made by my colleague from Gladstone; and it doesn't deal with so much the information which I agree with the Member for Morris and the Member for Gladstone and that is the precise confusion that could actually take place with this kind of announcement; and of course again what we have is the Minister of Agriculture trying to paint his image in the better light and I do have some difficulty because it again is a reflection of he and his government's saying one thing and doing another.

The press release that we refer to again and I reemphasize what the Member for Gladstone said, "The press release indicates 4,000 farmers in Manitoba, most of whom are young beginning farmers, will receive assistance." Well, we hear today that it's 3,300. That's a fairly substantial amount of farmers less than what he indicated would get assistance and I get concerned when a Minister is that far off the mark. He should have been able to be somewhat more precise. But again, on the upper side, it makes him look better that there are 4,000 rather than 3,300 and so, instead of using 3,500, which would have been extremely a lot more accurate, he uses 4,000 again, not just coming as straightforward as he should with the farm community.

I as well, Mr. Chairman, was amused at this Member for Ste. Rose and his question about how many farm bankruptcies or foreclosures, I should say, were carried out through MACC and it's extremely unfortunate when anyone has to be put through the difficult times of foreclosure. Particularly in the farm community, it's a matter of very traumatic experience because they're foreclosing on a way of life; they're foreclosing on lifetime assets of several years of life together of possibly several generations and it isn't a very pleasant situation.

But I want to make one thing very clear on the record for the Member for Ste. Rose, Mr. Chairman, through you to him and to the Minister, that the years from '77 to 1981 my Premier did not have a document circulated in the election of 1977 as did his Premier circulated in 1981 which said - and I quote again from this document of the New Democratic Party - "With ManOil and Manitoba Hydro we can develop programs to guarantee that no Manitobans lose their homes or farms due to high interest rates."

Mr. Chairman, that was not on the record of the Province of Manitoba from '77 to '81; but from '81 to '84 or '85, there was a guarantee that no one would lose their homes or their farms due to high interest rates. We do have the instrument which the Minister of Agriculture operates, the Manitoba Agricultural Corporation which, in fact, did carry out foreclosures.

We have two examples of one thing being said and another thing happening, Mr. Chairman. That's what bothers the people of Manitoba, that's what bothers us in opposition that the First Minister, the man who is now the First Minister, put in writing a guarantee that it wouldn't happen. But at the very same time his Minister of Agriculture through the Manitoba Agricultural Credit Corporation carried out foreclosures.

I'm not critical, Mr. Chairman, of the fact that it possibly had to be done. What we're critical of is the cynicism, is the fact that this government and the Premier said one thing and through his own Minister of Agriculture and his corporation carried out farm foreclosures. You know it's beyond me, Mr. Chairman, how people can still face the public with that — (Interjection) — Yes, as my colleague from Roblin-Russell says "and get away with it."

The Member for Ste. Rose, I hope, is listening for once in his life. I hope he's listening to what I'm saying, Mr. Chairman, that the people of Manitoba deserve more than to have the leader of a party go out and sign a document saying that they would not lose their homes or their farms and then in the ensuing four years of their administration have an organization of their

government - not a bank, not a credit union, not the Farm Credit Corporation - but an instrument of his own government carry out foreclosures. It is criminal to have that kind of leadership in the province. He will be remembered for years by those kinds of carryings-on. So that's the difference.

The Member for Ste. Rose can ask about the foreclosures between '77 and '81. We did not have a commitment to the people that no one would lose their farm, but he and his Leader did, Mr. Chairman. That's the basic difference, Mr. Chairman. — (Interjection) — Yes, that's the basic difference.

Mr. Chairman, the Minister says how long are we carrying some of these? I'm not being critical of the fact that it had to be done. I have got a lot of sympathy for those people, but what I am saying is, he carried it out when he promised that it wouldn't actually happen. That's what bothers us.

How could you trust people like that? How can the people of Manitoba trust people like that when they sign one thing to get elected and then they go out and use their own instrument of their own government to carry out the very thing that they guaranteed that they wouldn't do. That's the point that we all have to keep in the backs of our minds. That's the one that we have to keep reminding ourselves that if they've done it here, where else will they do it? Every time they stand up to say something, how can we trust them? How can we believe what they say?

Again, we have a press release saying, "4,000 young farmers will be helped." Today the Minister said there were 3,300 - a 700 difference - that's a lot of farm families, 700 not getting help when he said there would be 4,000. It is just a matter of doing your homework and not trying to mislead the public of Manitoba.

Mr. Chairman, the Minister yesterday - and I want to go back to it again - we were talking about interest rates. We were talking about the need for showing leadership in the reduction of interest rates. He makes special references to other governments. He makes special reference to the Province of Saskatchewan and I want to deal with the policy that he's referred to on the tendering of leases and the fact that people are not allowed to know who was the other tender, or what their bids were.

Well he demanded that of us, Mr. Chairman, when we were selling farm land. He demanded that of us, Mr. Chairman. I don't think there are too many people in the public when it comes to bidding for Manitoba Agricultural Credit Corporation land if they knew that the policy was that when they put a bid forward on that land, that in fact it could be made public. Why would it bother farmer A, B or C?

**HON. B. URUSKI:** Tell me, are you recommending it?

**MR. J. DOWNEY:** Well, I think it's a policy that should be considered. He says am I recommending it. I think it should be considered. I'm not saying just go out and do it tomorrow, but I'm suggesting that possibly in the best interests of fairness and openness so that the farmers who do not get the land are satisfied, and that's the complaint I'm bringing to the Minister.

I'm bringing the complaint of two people, not from my constituency, but one individual lives in the

member's own riding who called me and said he was extremely unhappy with the allocation of a piece of leased ground and he called the Manitoba Agricultural Credit Corporation and they said we can't let you know who the other bidders were or what the bids were because it is not the policy of MACC to do it.

Well, immediately what happens? Those individuals say ah ha, who did the land go to? Well, in the farm community it is fairly visible who goes to farm a piece of property, and yes it might be a friend of the Minister. It may be a friend of the Minister who happens to carry those same political beliefs. If that, in fact, is the case, then let's not leave any questions in the minds of the public. That was the comments that were made. I might as well be straightforward with the Minister. If that is the case, then let's put that question to rest.

Subsequent to that particular time, the individual was contacted and given the property, too. Something happened that the individual who initially got the property did not apparently want to carry through with the lease for some reason and that individual who brought the concern to me, got the property. I phoned them and they said whatever happened MACC have now seen fit to give us the land and our concerns are no longer pertinent on this piece of ground, but we are concerned about the policy that would not allow us to find out who the other bidders were and whether they were higher or lower.

I have another individual from the City of Winnipeg whose son was also trying to get a piece of property through a lease. He was not satisfied for some particular reason that they were treated fairly. When he talked to the corporation, again he could not find out this information. So I'm suggesting to the Minister when people bid for Manitoba Agricultural Credit Corporation land on a lease basis, I don't have any reason to believe that there should be any major hangup with it; that if it's a prerequisite of a bid on a piece of land then they enter into it fully with their eyes open.

In most cases, whether it's through Public Accounts, whether it's through the Department of Finance, that information is generally made available.

**HON. B. URUSKI:** Yes.

**MR. J. DOWNEY:** Yes, Mr. Chairman. Okay, the Minister says they can. Well, that's fine because I think it would put to rest some of the concerns that I had, and I think if it's a part of the policy initially, then people enter it with their eyes open. If in fact were to cost the Treasury money or to cost MACC money, because people say, well, I don't want my bid made public and it was going to deter a lot of people from bidding, then that's the question that has to be raised. But again I don't think in my own mind, in my own knowledge, if people really know that they're bidding with a public piece of ground, why they would be upset about knowing what they're bidding.

Mr. Chairman, I as well have some questions dealing with the intent and I think, as I said earlier, in the opening of the Estimates, there could be some financial implications to propose changes to The Manitoba Agricultural Credit Corporation Act.

Now, I ask the Minister and I know it's not in order because the legislation has not been tabled for

discussion, but it is order in my estimation because it has financial implications for MACC. For example, and I ask the Minister this question, is he intending to change the act so it allows part-time farmers to participate in the Manitoba Agricultural Credit Corporation? If in fact that is the case, then it has financial implications because there would be more people allowed to participate in the program and there would be a bigger drain on the funds. So I ask the Minister that question. If he doesn't want to answer now, then fine.

I can tell him at this time, I have no difficulty with the opening up of MACC so that part-time farmers - I think it's an essential thing to do. In fact I would request the Minister to do that, because I think it is in fact - we're in a time in our society when we have to take some of the pressure off the farm community, and some of those people have to get off farm jobs to assist in their daily livelihood incomes.

As well, Mr. Chairman, I want to point out to the Minister or ask the Minister, specifically dealing with the Manitoba Agricultural Credit Corporation allocation of funds, we see a reduction in administration from \$4,839,000 to \$4,209,700.00. Why? They have done an increase support; there has been an increase in activity. I am wondering why there is a cutback in the funds that are required to carry out the administration of the Manitoba Agricultural Credit Corporation.

**A MEMBER:** Maybe they're working harder, Jimmy. We should compliment them . . .

**MR. J. DOWNEY:** Yes, and I am going to compliment them, because they have been carrying an additional load with the strain that has been placed on the farm community, and there has been a lot of strain placed on the people that work at the Manitoba Agricultural Credit Corporation. It hasn't been easy.

The farm financial operations, the work that has had to be done has not been easy for those individuals who have been as directly as involved as they have, and that's another one of the criticisms that some of my colleagues have had, not just in the short term, in the longer term, and that is the slowness of the process of some of the loans.

Again I point out to the Minister that to have only eight loans approved under the \$20 million program that he talked about in his Throne Speech is not a very good record. It's not a very good record and I am not criticizing the staff. What I am criticizing is the Minister for probably not providing the manager and the management with enough people to assist carrying out the programs and the extra workload that is essential.

**A MEMBER:** Downey, you're the last one who should criticize.

**A MEMBER:** That's likely what happened.

**MR. J. DOWNEY:** Mr. Chairman, I say this in all sincerity because there has been additional work required. I would far sooner, Mr. Chairman, have seen this government hire additional people to assist the Manitoba Agricultural Credit Corporation than 127 apple polishers for the Ministers and the Executive Council.

**MR. H. ENNS:** Now you're on stream.

**MR. J. DOWNEY:** Yes, Mr. Chairman, if we talk about priorities, I would have prioritized the assistance that's needed in MACC rather than all the hangers-on in all the Ministers' offices. That's the kind of thing, the kind of points we've been trying to make from Day One, when we criticized this government, is their priorities are all screwed up.

Yes, Mr. Chairman, we are talking about the prioritization of the expenditure of funds. I ask the Minister as to why we see a major reduction in the administration charges? And I compliment the staff because I guess it could be because of increased efficiencies, and that is commendable; that's what we all want to see happen. We all want to see that happen, increased efficiencies.

But what we also want to see is the farm community not put through the frustrations of long-term waiting periods of indecision because it can't get through the system, because they can't see a field person in the department because of not being in an office. That's what we talk about when we talk about increasing the efficiency and the availability of this program.

The Minister is quite prepared to spend a lot of money in advertising his own image and improving his own image as stated here in the Legislature two nights ago.

**MR. H. ENNS:** Oh yes, we've got you on record on that one, Billy.

**MR. J. DOWNEY:** So what we have to make sure of is that the staff of the Department of Agriculture and the Manitoba Agricultural Credit Corporation are not restricted from carrying out maximum performance, providing the people with the kind of service that has been traditional since the implementation of Manitoba Agricultural Corporation in 1958.

Mr. Chairman, I as well want to deal in another area with the Manitoba Agricultural Credit Corporation. The Minister I am sure will have the opportunity to respond later on to my questions dealing with the policy matters and as well the administration of it. I want to deal with Young Farmer Rebate Program when we come back . . .

**HON. B. URUSKI:** Yes.

**MR. DEPUTY CHAIRMAN:** The hour is 4:30, the time for Private Members' Hour. I am leaving the Chair and will return at 8:00 tonight.

Call in the Speaker.

## IN SESSION

### PRIVATE MEMBERS' HOUR

**MR. SPEAKER:** Order please.

The time being 4:30, Private Members' Hour. The Adjourned Debate on Second Reading of Public Bills, Bill No. 20, the proposed motion of the Honourable Member for River East, the Honourable Member for La Verendrye. (Stand)

**SECOND READINGS - PRIVATE BILLS  
BILL NO. 41 - AN ACT TO INCORPORATE  
"FIRST PRESBYTERIAN CHURCH  
FOUNDATION"**

**MR. P. FOX** presented, by leave, Bill No. 41, An Act to amend an Act to incorporate "First Presbyterian Church Foundation", for second reading.

**MOTION presented.**

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

**MR. P. FOX:** Thank you, Mr. Speaker.

Briefly, the church congregation seeks to amend The Foundation Act to clarify a number of matters to ensure the appropriate succession of the foundation and to reflect change in the composition of the organizations within the church entitled to be represented on the board of the foundation.

In the preamble where it provides that the net annual income of the foundation shall be devoted perpetually to the maintenance of the church as a centre of Christian teaching and welfare work in the City of Winnipeg, it is proposed to add to the word "maintenance" the words "and work" so that it will be clear that the monies from the foundation are not for use exclusively for the maintenance of physical plan and the structure of the church, but also available for its work in the community.

A further amendment is to revise the composition of the board of the foundation to reflect the organizations which are now in place in the church and to acknowledge that certain organizations, for example a ladies' aid, no longer exist.

The third change that is being sought, Mr. Speaker, is to extend the powers of the foundation to permit it to borrow funds for the purpose of reinvesting, if so doing appears to be in the best interests of the fund.

Lastly, the amendments provide that in the event that the church congregation of the First Presbyterian Church should cease to exist, then the capital fund of the foundation is to be distributed first, to its successor church if any; and failing that, to the Presbyterian Church in Canada.

This briefly, Mr. Speaker, is an explanation of what the amendments are in this bill. I would ask members to proceed with it. If there are any further questions they can be answered at the committee stage where legal representation will be present.

**MR. SPEAKER:** Are you ready for the question?  
The Honourable Member for Lakeside.

**MR. H. ENNS:** Mr. Speaker, I move, seconded by the Honourable Member for Roblin-Russell, that debate on this bill be adjourned.

**MOTION presented and carried.**

**BILL NO. 42 - AN ACT TO INCORPORATE  
"THE WINNIPEG REAL ESTATE BOARD"**

**MR. P. FOX** presented, by leave, Bill No. 42, An Act to amend An Act to incorporate "The Winnipeg Real Estate Board", for second reading.

**MOTION presented.**

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

**MR. P. FOX:** Thank you, Mr. Speaker.

Briefly, the purpose of the amending bill is as follows; firstly, it is proposed to remove from the Statute of Limitations on the value of real estate which may be owned and the value of the money which may be borrowed by the board. It is no longer a practice of the Legislature to insert such restrictions.

Similarly in the act, it is proposed to eliminate the restriction on the amount of capital which may be raised by the board by the issuance of shares, debentures, etc. Again, this no longer is a practice of the Legislature to impose such restrictions.

The third change is designed to increase the representation of the salesmen members of the board on the board of directors.

The next amendment removes the limitations on the face amount of bills of exchange or promissory notes which may be made or endorsed or delivered by the board or the corporation for its current expenditures.

A further amendment to the existing act is intended to clarify that section by making it clear that the arbitrators appointed shall comprise the arbitration committee of the board.

A further amendment here in this section makes it mandatory that disputes between members relating to the commercial or financial matters between them shall be submitted for arbitration by the parties in dispute. At the present time, the section states that such submission is voluntary, but failure to submit such disputes under this section for arbitration is a breach of the code of ethics of the board, rendering such failure in itself punishable indirectly.

There is a section here, Mr. Speaker, which is intended to permit the arbitration committee either upon its own motion or upon the application of either of the parties, to refuse an arbitration where it requires a determination of a point of law, or is extremely complex or involves very substantial amounts of money. This ensures parties in a dispute or the board are in a position to ensure that the manner in which disputes are dealt with is as equitable and as fair as can be obtained.

The repeal of Section 13 of the act is sought because the section merely repeats the provisions that are earlier set out in the act and are covered by the by-laws of the corporation.

The repeal of Schedule 8 to the act is necessitated by the fact that the arbitration would now become mandatory as between members in dispute.

This briefly, Mr. Speaker, is an explanation of this bill. If there are further questions, they can also be done at the committee stage where there will be legal representation.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Are you ready for the question?  
The Honourable Member for Lakeside.

**MR. H. ENNS:** I move, seconded by the Honourable Member for Pembina, that debate on this bill be adjourned

**MOTION presented and carried.**

## PROPOSED RESOLUTIONS

### RES. NO. 5 - RESTORATION OF CAPITAL PUNISHMENT

**MR. SPEAKER:** On Private Members' Proposed Resolutions, Resolution No. 5. The debate is open.

Are you ready for the question?

The Honourable Member for Pembina.

**MR. D. ORCHARD:** Thank you, Mr. Speaker.

I want to speak to this resolution and, Mr. Speaker, I will be speaking in support of the resolution for the reinstatement of capital punishment.

Mr. Speaker, I do not make this decision lightly; I do not make it, as is being heckled in the back bench of the government, purely for the sake of killing. That is not the position I've taken. It is not a position that I've taken lightly. I don't believe anybody takes a position on capital punishment lightly.

I have held the position that capital punishment should not have been abolished and should have remained as part of the Canadian judicial system and penal system, as it was in the past. I have come to that conclusion because many arguments, pro and con, draw me to the conclusion that the chance for error that has been so often cited is, I would say, almost non-existent with the jury system the way it is set up and with the trial system the way it is established in this country.

We are not talking, or I am not supporting a position of capital punishment for any other than first degree murder and, in order to obtain a conviction under first degree murder where the death penalty would be the penalty imposed on one found guilty of first degree murder, such a decision by a 12-person jury would not be arrived at, in my opinion, unless there was absolutely no doubt in their minds that that person was, indeed, guilty of first degree murder, knowing the kind of penalty they may well be imposing on that person if the death penalty were in place.

Mr. Speaker, the death penalty has been said to be a barbaric way of treating a fellow citizen and there is some logic to that, and I don't disagree with the abolitionist's point of view that it is barbaric; it is possibly not the ultimate expression of a modern society which has full enjoyment of civil liberties and freedoms and rights and privileges for its citizens.

I can agree with the abolitionist's line of thought in that regard, but where I part ways with them is that we are not talking about the death penalty applying to any other but the most serious offender in the criminal world. I am talking about and I am supporting the death penalty for the first degree murderer; that means the person who wilfully, with full planning and full knowledge, takes another person's life. That act of murder, premeditated murder, is something that has tremendous consequences on society; it is very traumatic to any remaining family members or friends or acquaintances of the victim, and it is the ultimate act of barbarism, if you will, in a modern society.

Mr. Speaker, by allowing the court system and the judicial system and now legislation to allow the first degree murderer, the convicted first degree murderer, to spend a number of years in prison, I think, degrades the life that person took in committing the murder, and

to me it has a general impact of a lessening of the value that individuals place on our judicial system in the way we protect our citizens. And the example that's most often used is Olson, whose name is probably synonymous with the reinstatement to the move to reinstate the death penalty.

Mr. Speaker, I question what sort of value structures, what sort of impression that leaves on young minds and other criminal minds - and I'm not linking the two together - when they see a person, such as Olson, who has committed a number of murders, being able to survive in the prison system and, in some instances, possibly even profit from it through the recalling of his life history. To me, that is the wrong kind of example to set for youth and for other people who may from time to time consider breaking the law.

It is an example which degrades and lessens the value that people place on law enforcement, on the judicial system, and lessens the prestige with which the police are viewed in the pursuit of their jobs in protecting all citizens of this country so that they can live without fear of a criminal act; and it is of that lessening of the public perception of the value of our judicial system that is the dangerous part today. I think that if capital punishment were reinstated, you would find that there would be an overall increase in the respect for law and order in this country, and I don't need to tell you, Mr. Speaker, or any other member of this Assembly, but there is a growing feeling out there amongst the population that in criminal acts it is the victim that is most highly penalized by the commission of that crime and that the criminal gets treated very well, thank you. In some cases, that impression is legitimate; in some cases, it's probably exaggerated somewhat; but it is definitely a feeling that people have, that our judicial does not, and our police system is not able to adequately protect the citizens from the criminal element any more.

That is a general disregard for law and order, a general disregard for civil obedience. I believe that if we had the death penalty reinstated it would prove, it would help to demonstrate clearly that we were very concerned as legislators and as fellow citizens for the protection of the people of this province and this country from criminal acts; and I think that message alone would be timely today and would be beneficial and would serve a greater purpose than simply reinstating capital punishment.

I think the overall benefit of attitude, of renewed attitude in respect, would far outweigh the arguments put forward by the abolitionists who do not support any effort to reinstate capital punishment.

Mr. Speaker, although one should not, in any way, shape or form, in a debate on capital punishment, get into the economics of the prison system because that should not fit into anybody's discussion of capital punishment and the reinstatement of capital punishment, but this government, the Federal Government, the Municipal Governments, all governments today are running out of funds to provide services to their citizens. This government doesn't have adequate funds to fund the health care system, as many citizens would wish it to be, as many of us in this House would wish it to be, and that's a cold, hard reality of the modern economy, and it's not going to go away.

Mr. Speaker, if we could somehow produce a signal to the criminal element that we were not going to

tolerate a life of crime and repeat crime, then maybe, in some small way, we would lessen the population in our penitentiaries and our various jails and institutions. And for certain, Mr. Speaker, and it's a timeworn argument, if the death penalty were reinstated there would be no repeat murderers on the streets taking more lives, which happens from time to time.

Mr. Speaker, I don't know what the cost is in a maximum security prison, but I'm told that it's probably \$30,000, or in excess of \$30,000.00. We don't have that many people convicted of first degree murder so, even if we did have the death penalty reinstated, we probably would not have that many sentenced and put to death for first degree murder in this country.

Nevertheless, and I don't want to dwell on this argument, but where are dollars better spent in this country? On the incarceration of first degree, premeditated murderers, or on people in need of health care or education or family support programs? Those are some of the moral and ethical questions that we're all going to be asking ourselves as the demands in the health care system increase. Where do we prioritize our dollars?

I think that we're going to be crossing that economic bridge very shortly, within the year or two or three, in this province, and we're crossing it now federally in this country. So that is but another small and not unreasonable argument that I use to build my case for the reinstatement of capital punishment, and I say that it should not be built on an economic argument at all, but it is one of the small factors that contribute to the logic of the Member for Elmwood's resolution.

Mr. Speaker, I don't approach this on any particularly venial feelings towards any individual, even if he is a first degree murderer. I just believe that a person who has, in a premeditated way, taken another person's life, that that person made a conscientious decision . . .

**A MEMBER:** Conscious.

**MR. D. ORCHARD:** Conscious. Did I use conscientious? Yes, it's not a very conscientious decision; it's a conscious decision that individual made, and he didn't do it with his mind not working or his eyes closed. He did it, in most cases, with the full knowledge of what he intended to do, or she intended to do, and I believe that those people do not have the right to live after taking someone else's life.

You can quote both sides of the Bible to support either the abolition or the reinstatement of capital punishment, and I don't believe that necessarily should enter into the debate today, but just from a purely moral standpoint, I don't consider it to be a wrong or a bad decision or an unethical decision for a country to protect its citizens from first degree murderers by reinstating the death penalty for those individuals.

I do not believe that it shows that a country is slipping toward barbarism or more uncaring toward its citizens. I think it's a reflection of increasing care for its citizens. I don't believe that it is an argument that necessarily should be drawn up on rigid political lines. We have amongst our caucus, abolitionists, as I'm sure the government members do, and I don't attach a political value to this in terms of partisan political value, Mr. Speaker.

I supported capital punishment long before I ever got involved in partisan politics. It is just something to me that has a lot of common sense to it, that you simply cannot allow a premeditated murderer to continue his lifestyle, no matter how restrictive that may be in the penitentiary system.

As I've said earlier, it is not the kind of example that we want to leave with youth, with the criminal element, if you will - once again I'm not linking the two together - but it's just not an example that allows the development of a good solid recognition and support of our legal system by not having capital punishment.

Mr. Speaker, the difficulty with making a decision in a country like Canada to reinstate capital punishment is that you have very strongly-held opinions on both sides and your advocates both ways will put out very strong cases for and against capital punishment. But, Mr. Speaker, I don't think that there's any question that the vast majority of each of our constituents would wish to have capital punishment reinstated. I think if each and everyone of us went to our constituencies and asked the question and got the response from our constituents, we would find that the vast majority of them support the reinstatement of capital punishment, and they have their own reasons for doing that and some of them may be flawed and some of them may be very good.

But that's what we're here for, gentlemen and ladies, is we are here in a lot of ways to represent the will of the people who elected us to be here.

**MR. H. ENNS:** Right, we tend to forget that.

**MR. D. ORCHARD:** And that is why, when the bill on capital punishment . . .

**A MEMBER:** It's a federal matter.

**MR. D. ORCHARD:** That's right, the member says it's a federal matter, but the whips were on last time this came to a vote in the House of Commons and the people there, the MPs there, I do not believe represented on this issue the wishes of their constituents. That is a problem that all elected officials have. It lessens people's faith in the democratic system when, on an issue that is as highly charged as this one, they find their representatives not willing to listen to what their desire are. You know one can say that the majority of people who support capital punishment, if you're an abolitionist, you might want to say that they don't understand the issue.

But you know, there is a great deal of inherent wisdom out there amongst the people who elect us and bring us to this House to pass laws and to direct government in this province. I just can't bring myself to believe that 75 or 80 percent of those people are all misguided and are all rednecks and are all people who would enjoy watching someone being put to death, either on the gallows or the electric chair. That's not the case, those people have an inherent belief that a murderer should not be allowed to live after committing that crime, and they believe that from, I suppose, a series of moral values that they have grown up with and from some pretty simplistic arguments that they make that there will not be repeat offenders, and those sorts of arguments.

But, by and large, the majority of people have come to a very considered opinion on capital punishment, and I suggest the vast majority support its reinstatement for first degree murder.

I suggest that if we were, once again, on a private members' resolution, here representing our constituents, I think the majority of us in this House would stand in support of the resolution put forward by the Member for Elmwood.

Thank you, Mr. Speaker.

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

**HON. A. MACKLING:** Mr. Speaker, it is with a measure of humility and concern that I stand to contribute to the debate on this resolution. We are dealing with a matter that is an emotional issue for many people and can become a very difficult issue for many.

If the Honourable Member for Elmwood seeks to heckle, he can proceed if he wishes, but I do not treat this matter with any degree of flippancy and I don't see it as an opportunity for political grandstanding, and that is not my style, Mr. Speaker.

Mr. Speaker, this issue, and I certainly respect the views of those who disagree with my views on this question, is one, as the Member for Pembina has indicated, transcends political partisan positions. It is an emotional issue; it's one that should not involve intolerant and unfair characterization of people who hold different positions on this, as rednecks, or dreamers, or idealists, or anything else. I'm sure that people who hold these different views, hold them out of a sincere belief that their views are correct and just and fair. I, for one, and I'm sure most colleagues in this House, will not characterize another member's views in any unfair way.

Mr. Speaker, on this whole question, the concern of society has to be whether or not public safety demands that the death penalty be imposed on those convicted of serious crimes; whether or not the death penalty is a deterrent; and whether or not there should be retribution or retaliation on the person taking a human life.

Mr. Speaker, I suggest that the argument of deterrence is extremely thin. The only base on which one can argue that deterrence is effective if you say that the taking of a convicted murderer's life will deter that person from killing again; well, of course, that logic is inescapable. But the argument that is advanced by most is that the public spectacle, the public judgment, the state killing of a convicted murderer is going to deter others from occasioning the penalty to themselves. That isn't a recorded historic fact, Mr. Speaker, as the late John Diefenbaker said when he spoke, and spoke eloquently in the House of Commons on this question.

Many years ago when the death penalty was invoked for a great variety of crimes, including petty theft, and the state killing was done in a exhibitory manner to try and deter apparently, there were public killings. The pickpocket, who was on the gallows, for having been a pickpocket and being caught, was being emulated in the crowd because other pickpockets were in the throng picking the pockets of those who were witnessing the killing.

Mr. Speaker, years ago the taking of human life for a great variety of crime was tolerated. In our society, the taking of human life for a great variety of crime is tolerated. When I say "our society," I'm talking about the society of planet Earth. The barbaric killings that the Honourable Member for Pembina alluded to are with us today. Countries like Iran, a moral wrong that we would consider a transgression only requires that the person be publicly beheaded.

Mr. Speaker, the question of public safety is an important issue. We must be satisfied that a person who has taken a human life, if released in society, is not likely to commit that kind of offence again.

Mr. Speaker, our system is far from perfect; it needs much more by way of an investment in trying to find ways to produce wholesome results from incarceration. What we have in much of our jail systems is not rehabilitation and correction, but a training ground, a breeding ground for more crime.

Mr. Speaker, part of the problem with politicians in this country is they haven't been tough enough with the system; they haven't been prepared to say that those who were institutionalized will work and work hard and will repay society for their crimes. Mr. Speaker, we need vast reform in our penal system. I have argued, and I'll argue here, that the system that we have now where the province is charged with the responsibility of maintaining so-called correctional facilities for those who are institutionalized for two years or less, is wrong. The province should be charged with merely the detention for short periods for people who have committed small crimes against society. The responsibility for rehabilitation and correction lies with the Federal Government, because it is the federal criminal law which is paramount in respect to the issues that evolve in incarceration for lengthy periods.

It is the Federal Government that establishes and maintains the criminal code that appoints the judges to our system, maintains the parole system, but somewhere in between the province has responsibility. I suggest that is an error, and I suggest, Mr. Speaker, that we, as a society, fail when we put people in institutions and allow them to leave those institutions unchanged.

Imagine a system where there's mandatory parole, the person is institutionalized and then later they're released on mandatory parole; no serious attempt at rehabilitation at all. This, Mr. Speaker, is a condemnation of our society.

Mr. Speaker, the public safety must be protected. It is not being protected with the kind of institutionalization we have now in this country; it is a sham. It calls out for correction, not the reinstitution of capital punishment, Mr. Speaker, because the wrongs are being multiplied every day by the fact that we put people in institutions and we don't rehabilitate them. We release them even more bitter and more vengeful into society.

Mr. Speaker, we have a society where there is an increasing fascination with violence. We have our cultural being overborne with the violent television and media responses from our great neighbour to the south. Mr. Speaker, I suggest that violence breeds violence, that intolerance breeds intolerance, and the taking of human life degrades our society.

Mr. Speaker, what we need in the world, and I quote the adage of that song, "What the world needs now

is love, sweet love." I don't say that in any sick, silly manner. Mr. Speaker, what this world needs is tolerance and understanding. The fact that people will fight and will even kill one another because they have a different political viewpoint, because they believe in a different moral code, or a religious code, is absolutely stupid. The intolerance of people one to another that leads them to take one another's lives surely is needless. Surely, we have the sophistication in society today to communicate, to assure one another, whatever society, that we don't need to impose our will on their society.

Mr. Speaker, it was that kind of demonic will, which saw in countries of the world in the 1930s, the emergence of the system where the society says it was acceptable to exterminate millions of people because they were of a different ethnic background. Mr. Speaker, those feelings, those arguments, those so-called justifications should be shown to be unfair, untrue, and we should, as a society, forever reject the idea that the state can kill, because when the state kills, it doesn't make it humane, it doesn't make it decent, it doesn't elevate men and women; it degrades men and women.

The very thought that most people have about the sanctity of human life and therefore, you know, you want to protect people - if they have been killed, you want to kill that person. That degrades human life. The sanctity of human life is being eroded when you argue for the return of capital punishment.

Mr. Speaker, I alluded to the question of deterrence. Studies have been made in the United States and in Canada. There's no question but deterrence is not a factor in the abolition of capital punishment. I can quote statistics, if members would like to hear them, but I'm sure that they have heard those arguments and they understand their correctness.

Mr. Speaker, I would like to read a short passage from the writings of John P. Conrad, in a debate between another writer, Ernest Vanderhaag, on the death penalty debate. In his book, on page 9, he says as follows: "And partly I must oppose capital punishment because I cannot accept killing as a permissible action for anyone, even a civil servant acting as an agent of the state. Killing demeans the state, and a society that insists on killing its murderers violates the precepts that make it possible for us to live together." Mr. Speaker, I adopt those words completely.

He goes on, "Inevitably, the state is a teacher as Justice Brandeis once asserted, and when it kills, it teaches vengeance and hatred. Murderers are not to be loved, nor may their acts be disregarded, but in allowing them to live, the state reminds all citizens that no man is always only a murderer. Discourse with men on the row' . . . - and here he's referring to death row in Alcatraz - "will be coloured by the absorption of the individual in his eminent faith. Rationalizations, recriminations, and self-pity pervade their thoughts and monopolize their words. It is the lifer who becomes a man, leaving gradually his preoccupation with self as the routine of prison life removes the stress of programmed death.

"Some of them achieve a sort of goodness, as though atonement for atrocities committed in the past can be achieved in the calm monotony that is possible for life prisoners. But perhaps the most important argument to be made is that in the 20th Century America, so violent a nation, so vulnerable to the anger of the

envious and the frustrations of the poor, the state must teach that killing anyone deliberately, for whatever reason, is needless and wrong." Mr. Speaker, I adopt those words and those sentiments completely.

Mr. Speaker, I agree with the Honourable Member for Pembina in his concerns about improvements in the system. The fact that too often the victim is forgotten. That's why, as a former Attorney-General, I was proud of the fact that in Manitoba, at the time I was Attorney-General, we introduced for a first time compensation to victims of crime.

Mr. Speaker, the victim is too often neglected and forgotten. — (Interjection) — The public is the victim, that is right, Mr. Speaker, tremendous neglect of the victim. I must say that the record of the Federal Government, again, has been shameful in that regard. I remember when we introduced that program, no funds were available from the Federal Government. Finally, we got 10 cents per capita towards compensation for victims of crime.

Mr. Speaker, that kind of dismissal of the real need in society for a society that's sensitive, not only to the need for protection of people from those who have a predisposition to commit violent crime, but also to try and redress, try and assist the victims in society. Mr. Speaker, our record as a society in Canada is not good. It cries out for improvement.

I suggest, Mr. Speaker, but for the many reasons that are there, the fact that deterrence is not effective, the fact that retaliation merely breeds violence, more violence and hatred. That for those reasons, the reintroduction of capital punishment isn't going to add anything to the security of Manitoba or Canadian citizens. It's going to enhance the hatred and fear that exists in many parts of society.

Mr. Speaker, the primacy of the value of human life, the fact that we cherish human life, should dictate to us that on no occasion, for no reason, without any justification, no one should take the life of another.

Mr. Speaker, some members chatter while I speak. If they do so, they belittle the question, the great moral question that has to be faced in society. Mr. Speaker, there's no doubt in my mind that many people in society want to see retribution, they want to see retaliation, because out of an emotional concern to try and deal in a forcible way with the wrong, they will accept that path, but I suggest that logic, reason, appreciation for the arguments that the sanctity of human life dictate that we ought not to kill.

Just think, Mr. Speaker, what a world this would be if no one in the world would accept that it is right, at any time, to take another human life. There would be no wars — (Interjection) — well, Mr. Speaker, I hear that I'm a dreamer. Cannot we in this world dream dreams of a world where the taking of human life is abolished, that we can live in brotherhood and sisterhood in love instead of hate. Must we ever condemn people of the world to bigotry, hate and slaughter? If that is dreaming dreams, Mr. Speaker, may I dream on.

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

**MR. H. ENNS:** Thank you, Mr. Speaker.

I'm pleased to join this debate following the former Attorney-General of this province, who obviously has

impassioned views on the subject matter, as well as, I suppose, we all ought to have because it is a very serious matter.

It's a very serious matter for me, Mr. Speaker, personally to take a position with respect to the issue before us, that of capital punishment. I don't make a habit of wearing it on my collar, but I profess to be an active member of the Mennonite faith, which has pacifism as one of its essential tenets of the faith, and as such find the taking of life, whether in wartime or anytime, extremely difficult.

However, Mr. Speaker, my colleague, the Member for Pembina accurately indicated that there are as many Biblical arguments that one can raise on either side of the issue, and one should not further becloud an issue with emotional or with religious overtones. The issue is difficult enough for society to grapple with.

Mr. Speaker, I suggest to you that one of the reasons why the issue is made more difficult to grapple with is the missing of a vital piece of statistics that, whenever this issue is debated, for some reason is never available. I don't know the number of homicides that have been committed in Canada in the last year, last five years, the last ten years, but I can never get the stats that tells me how many of them were second time around. It's just not available for some reason or another. I object to that, because as several members have said there is no great argument to be made about the deterrent action as such on that person that, in a fit of passion, commits a crime, but that's not the kind of person that I'm talking about in supporting the resolution.

I take the position that the Member for Pembina took. We're talking about premeditated murder. I would even go one step further - I'm not prepared to support it where a murder charge is brought in by a jury on circumstantial evidence alone. I take it that one step further.

The Minister of Labour talked a great deal about protection to society, and society's role in all this. What is discouraging to me is the failure of being able to tell you, or for anybody to be able to tell us in this debate, of the 400, 500, I don't have the figures, 400, 300 homicides committed the past year, the past five years, whatever it is, how many of those have been committed by people who are taking human life for the second or indeed the third time. — (Interjection) — Well, that's the response that I get, but every life is sacred.

So, at least on that issue, if it's 10, if it's 20, if it's 30 or 40 lives that have been taken by somebody that has killed before, then those 40 lives could have been saved. So there it is, an equal balancing of life for life, but it's not then right for the abolitionists to say - the abolitionist is prepared to give up 40 lives to save 40 lives, and that where we stand. The only difference is that the 40 lives that the abolitionist is prepared to save have deliberately gone out and broken all of God's laws, all of our laws in this country, all of the laws of society, whereas the person whose life has been taken has broken no law in most instances, is totally innocent. There is the dilemma. There is the dilemma that is faced by the abolitionists and by the proponent for it.

I don't know how many it is, I wish I knew the stats, but certainly I tell you when you hear particularly of the killings that have taken place in our federal

institutions, the federal penitentiaries, in most cases those are done by lifers, those are done by people that have not killed once, but twice, or a third time, but we aren't supplied with those records. We aren't supplied with those records, Mr. Speaker, and I object to that fact, because I think it's an important element that would enable us to debate this a little bit more intelligently.

Mr. Speaker, I choose to broaden the debate a little bit on this subject matter, because I can always recall - and I'm not suggesting for a moment that when we go into this subject that we go to the 18th Century, the 19th Century prison systems, how they then were, but I think the vast majority of people in Manitoba are just plainly annoyed with the direction that 30, 40, 50 years of progressive - for want of a better word - of attitudes and philosophies in our prison system has taken us.

For instance, I can recall, as the Minister of Government Services, the shock that I went under. I will tell the members this; the remand centre that is going to be built in this province or any of the prison systems that we build, a prison bed is considerably more expensive than the best hospital bed that we can build in this province. A hospital bed that is of a lifesaving nature, that has all the equipment - oxygen, special machines or something like that - costs less than a bed in Headingley, or less than a bed at The Pas, or less than a bed in Brandon. Now, there is something wrong with that, Mr. Speaker. There's something wrong with that. That's what, I think, the Honourable Member for Pembina was alluding to.

I agree one shouldn't argue and shouldn't weigh justice with economics, but, Mr. Speaker, the Member for Pembina is absolutely correct, we have to begin to worry about the priorities of dollars.

I have absolutely no desire to impose any undue hardships within our prison system. In fact, I would be prepared to suggest very radical reforms. I would tend to go along with the Minister, the former Attorney-General, and say, not only is the first one on the house, the second one and the third one is on the house - not in terms of capital crimes, but in terms of what we put people away in jail for. I don't think that 80 or 90 percent of those people that are in jail today should be in jail, but, Mr. Speaker, when individual citizens choose over and over again not to live by the rules that we democratically formulate from time to time, that then they should simply asked to be removed from within our society. I think it's high time that we thought of some newer and some innovative ways of doing it.

I'm not talking about bringing back the lash; I'm not talking about bringing back 18th Century prison regimes. I have no desire to impose any form of revenge on the individuals, but I don't want to have to get up and work a little harder every day to keep them. I don't want to have to keep an extra two or three cows on my ranch to pay for the system.

The Minister of Natural Resources makes a big deal about society being at blame and at fault. Yes, I'm happy that we have a victim compensation program, but I don't agree with it philosophically, that the person, you know, that innocent part of society that has been hurt and that has been wronged should then have to dig deeper in his pocket to pay for that wrong. That shows you how fuzzy our thinking is.

Thursday, 23 May, 1985

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**MR. SPEAKER:** Order please. When this resolution is next before the House, the honourable member will have 11 minutes remaining.

The time being 5:30 p.m., I'm leaving the Chair and the House will reconvene in committee this evening at 8:00 p.m.