

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 23 June, 1986.

Time — 2:00 p.m.

OPENING PRAYER by Madam Speaker.

MADAM SPEAKER, Hon. M. Phillips: Presenting Petitions . . . Reading and Receiving of Petitions . . . Presenting Reports By Standing and Special Committees . . .

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker.
It's my pleasure to table the Provincial Tax Comparison Tables.

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, I'm pleased to inform the members and the people of Manitoba that today is Seniors' Day at the Legislature.

It is a day in which all of us here — and all Manitobans — can pay special tribute to the people whose vision and steadfast determination has helped to mould the fortunes of our province.

Through the courage . . . their wisdom . . . and their carrying of the pioneer traditions of hard work, stewardship and of standing together in the face of adversity, we've been provided with a legacy of which we can all be extremely proud.

I would also like to mention, at this time, Madam Speaker, that in conjunction with Seniors' Day, I shall have the very great honour of presenting the Order of the Buffalo Hunt to an outstanding senior.

Madam Speaker, you may recall that last year, during the same festivities, the Order of the Buffalo Hunt was awarded to another great Manitoban, Stanley Knowles, for his life-long commitment to social change in Canada.

Today, Madam Speaker, we will be honouring Ms. Marguerite Chown, who has for many years been a nurse and a teacher of nurses, in Manitoba.

A tireless advocate of the disabled and the disadvantaged in Manitoba, Ms. Chown has continually worked for and spoken for those who cannot speak for themselves.

I am sure all members offer their appreciation to Ms. Chown for her selfless contributions to the betterment of Manitoba, and, as well, join with me in welcoming Manitoba seniors here today.

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Thank you, Madam Speaker.

Madam Speaker, on behalf of my Leader and that of Her Majesty's Loyal Opposition, I am delighted and

pleased to concur with the comments just made by the First Minister. Certainly we, in the Opposition, welcome the opportunity of seeing so many of our seniors here on the grounds, here in this building. Allow me, Madam Speaker, to commend the government for making this event, now I believe a second annual occasion.

I recall last year it was a very successful day and I'm sure a very worthwhile day for the many seniors that came, even though the weather was somewhat more blustery, if I recall. Today, at least, it seems that the sun is coming out at the right time, and I'm hopeful that our seniors will enjoy seeing this building, visiting this building and, as the invitation reads, to take full advantage of the occasion.

Madam Speaker, it grieves me, therefore, to add the slightest marring tone to this comment. What I am grieved about, Madam Speaker, is that this government would choose this occasion to blatantly politicize the event by having staff and other people hand out NDP propaganda material on the steps of the Legislature when our senior citizens were being welcomed to this building.

Madam Speaker, I say this with regret because surely this government is not that insensitive to know that this is all of Manitoba's peoples' building and property, and this government is a government for all people; we can surely leave politics behind us for one brief moment, for one day, the election is over. I'll be more concerned, Madam Speaker, if it should, upon further investigation, find out that government staff was involved in the handing out of this material. I take no exception to the material that, quite appropriately, was handed out; the general invitation to the senior citizens; the invitation to visit different offices; the invitation to share coffee and doughnuts with us, Madam Speaker, that the people of Manitoba and the taxpayers of Manitoba are paying — not the New Democratic Party.

So, Madam Speaker, I do take exception that this otherwise great day, and good day, and a day that I want to be a good day should be marred by the insensitivity of this government.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Yes, thank you, Madam Speaker.

On a point of order, just to the matter which was addressed in the Honourable Member for Lakeside's comments, in respect to the material being handed out. It was indeed being handed out at the front door in error; that error has been rectified. It is now being distributed in the caucus room and certainly we apologize for any inconvenience that might have caused, or any discontent that might have caused members opposite, or anyone else, and we believe the matter has been rectified to their satisfaction and to everyone else at the present time.

MADAM SPEAKER: The Honourable Government House Leader did not have a point of order, but a point of information.

Notices of Motion . . .

INTRODUCTION OF BILLS

HON. R. PENNER introduced, by leave, Bill No. 26, An Act to amend The Public Trustee Act; Loi modifiant la Loi sur le curateur public.

HON. R. PENNER introduced, by leave, Bill No. 27, An Act to amend The Liquor Control Act; Loi modifiant la Loi sur la réglementation des alcools.

ORAL QUESTIONS

MPIC - Committee hearings

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Thank you, Madam Speaker.

Madam Speaker, I direct a question perhaps to the Government House Leader. I appreciate that he has indicated the immediate order of business, but there is concern on the part of the Opposition as to when the Manitoba Public Insurance Corporation, Autopac will be appearing before the committee of this Legislature?

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Yes, as a matter of practice, we have tried to work with the Opposition House Leader in order to determine the ordering of the different standing committee reviews of the reports which are referred to them. Of course, we have to determine whether or not that particular agency is ready to proceed to committee at this time, and we also have to determine, from our perspective and from the perspective of members opposite, what should be the priority items. I would be more than pleased to sit down with the Opposition House Leader to talk about what items are still outstanding in respect to standing committee reviews, and determine the appropriate ordering, by consensus if possible. We've attempted to do that in the past; it has worked on some occasions; it has not on others.

MR. H. ENNS: Well, Madam Speaker, I refer another question to the Minister responsible for Autopac. Could the Minister indicate to us just who will be answering to the committee on behalf of MPIC?

MADAM SPEAKER: The Honourable Minister responsible for MPIC.

HON. J. BUCKLASCHUK: Yes, as the Member for Lakeside knows, last Wednesday Cabinet appointed an acting general manager, Mr. Robert Silver. He will be appearing at the committee to respond to any questions, assisted by the chairperson of the Board and certainly myself.

MR. H. ENNS: Madam Speaker, I just want to understand this. This is our corporation which does

some \$240 million-250 million worth of business. We will be reported to by somebody that was appointed a week ago, or a week Wednesday. Will any of the vice-presidents of the corporation be reporting to the committee at the same time?

HON. J. BUCKLASCHUK: Yes, I should indicate that Mr. Silver, certainly has a good knowledge of the corporation. He has been a member of the board of directors in an ex-officio capacity. He will also be assisted by the five vice-presidents who have a very thorough knowledge of the operations of the corporation.

MR. H. ENNS: I thank the honourable minister, Madam Speaker, inasmuch as he is in an accommodating mood, could he perhaps insure that the Provincial Auditor is also present during those committee hearings?

HON. J. BUCKLASCHUK: Yes, it's certainly not customary for the Provincial Auditor to be part of the committee hearings. The general manager is well acquainted with the contents of the report, as are the vice-presidents who met last week with the Provincial Auditor to go through the concerns that were expressed in that report. I think that there are sufficient persons to be able to respond to any questions that the Opposition may have with respect to the Auditor's Report.

Senior's Day - distribution of material

MR. H. ENNS: Well, Madam Speaker, I rise on a point of order, although I'm sure you may want to refer to it as a point of information later on. I direct it to the Government House Leader. It's my understanding, by a message that was just couriered in to me, that this blaze orange material was still being handed out at the back of the building; perhaps he could have those instructions . . .

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Responding to the member's point, we will certainly make certain that it is not being handed out anywhere else than in the Caucus Room.

MADAM SPEAKER: The honourable member did not have a point of order. He had a question.
The Honourable Government House Leader.

HON. J. COWAN: In response to the question, Madam Speaker, I will leave the Chamber posthaste to inform those who are responsible for the handing out of that material, that that material should be handed out only in the New Democratic Party Caucus Room, rather than in any other part of the building at this present time.

MPIC - appointment of President

MADAM SPEAKER: The Honourable Member for Riel.

MR. G. DUCHARME: Yes, thank you, Madam Speaker, to the Minister in charge of MPIC.

Given the recent dismissal and the importance of the president, as recently discussed, his necessary duties in the day-to-day operations of the MPIC, the necessity of the immediate appointment to answer the many allegations, and to satisfy the many concerns of the employees and the Manitoba motoring public, will this Minister be announcing the appointment soon of the new president?

MADAM SPEAKER: The Honourable Minister responsible for MPIC.

HON. J. BUCKLASCHUK: Yes, as was announced at the time of Mr. Silver's interim appointment, it is our hope that we will have a permanent appointment in place within four to six months or so.

MR. G. DUCHARME: A supplement to that.

Will the Minister be advertising nationally, throughout the industry, and throughout the large centres nationally for this new appointment?

HON. J. BUCKLASCHUK: Yes.

Home Economics Directorate - status of

MADAM SPEAKER: The Honourable Member for River East.

MRS. B. MITCHELSON: Thank you, Madam Speaker.

My question is for the Minister of Health. At this moment, the Home Economics Directorate is under review, the department responsible for putting together the pamphlets for seniors, such as, are on display outside in the hallway, outside this Chamber today, can the Minister assure this House that these valuable programs will not be jeopardized as a direct result of the six positions that were deleted in the Home Economics Directorate?

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Madam Speaker, that statement I think is false, because that has been resolved already, the question of the Home Ecs. If not, I think it has been announced by the Minister of Agriculture.

MRS. B. MITCHELSON: A new question to the Minister of Agriculture then.

Can the Minister of Agriculture assure us that these programs will not be jeopardized as a direct result of the deletion of the positions in the Home Economics Directorate?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, the premise of the question is totally wrong because the government indicated initially, after the announcement was made, that we were reviewing that whole matter and, in fact,

I can assure this House, as I will be assuring other groups, following upon consultations and further meetings that we will have, that the service that the Home Economics Branch of both the Department of Health and the Department of Agriculture, in the delivery of services to both urban and rural families, will be maintained.

Budworms

MADAM SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: There's a major outbreak of jack pine budworm in the province which is killing many of our jack pine trees. Can the Minister indicate to what extent this outbreak has taken place and what he's doing to curtail it?

MADAM SPEAKER: The Honourable Minister of Natural Resources.

HON. L. HARAPIAK: Madam Speaker, to give an indication of the exact number of hectares that are infested at this time that require spraying, I would take that portion of the question as notice.

I would like to indicate to the member, as I had indicated to the House earlier this year, that extensive preparations had been made for acquisition of equipment and materials for combating the outbreak of jack pine budworm in various parts of the province; so there was certainly an adequate degree of preparedness and I'm confident that it is being dealt with. As far as the information on the specific numbers of acres or hectares that are presently being applied, I will take that as notice.

MR. A. DRIEDGER: Madam Speaker, to the same Minister. Could the Minister indicate how much money was budgeted in his budget for the control of the jack pine budworm, and how much money is he planning to expend?

HON. L. HARAPIAK: Madam Speaker, I would take that as notice. We will be reviewing my departmental Estimates and that figure is there. It is a considerable sum of money. There is a large amount allocated and we are prepared to expend the full amount if it is necessary, but I think it would be premature to judge whether it would be necessary at this time.

Silviculture Program - layoffs

MR. A. DRIEDGER: A final supplementary to the same Minister.

Could the Minister indicate that if the money is not all going to be expended that he's budgeted there, whether he would rehire those 22 people that he hired one day and laid off the same day, if the program is not going to use all its money?

HON. L. HARAPIAK: To the Member for Emerson, I would like to indicate again, as we have earlier in this Chamber, that if the funds were not utilized to combat the jack pine budworm, that there would be funds allocated for further work in the Silviculture Program, yes.

**Bill 4 and Bill C-117 -
Farm Debt Review Bills**

MADAM SPEAKER: The Honourable Member for Virden.

MR. G. FINDLAY: Thank you, Madam Speaker. My question is for the Minister of Agriculture. Given the fact that the provincial Bill 4 and the federal Bill C-117 have the same basic objective, namely, farm debt review; and given that Bill C-117 is to receive second and third readings imminently in the Federal Parliament, has the Minister sought legal advice to determine which bill will take precedence in the Province of Manitoba?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, first of all, there is a flaw in the honourable member's description of the two bills.

The provincial bill is an attempt to assist farmers in their financial difficulties; and the federal bill, quite frankly, coupled with the Rural Transition Program, basically places grease under farmers who are under the skids presently. It's a bill for the bankers, rather than for the farmers, Madam Speaker.

I want to advise my honourable friend that clearly, in terms of constitutional jurisdiction, the province has its full authority dealing with the question of land and the procedural legislation that is now being put forward in this case. It does not have the authority, as I outlined in my remarks when I introduced Bill 4, it does not have the authority to deal with procedural motions dealing with foreclosure on equipment, livestock and machinery, of which we have asked the Federal Government to pass procedural legislation, as they have done in the past in the area of interprovincial trucking.

MR. G. FINDLAY: Thank you, Madam Speaker. Given the fact that this Minister of Agriculture has requested the Federal Minister of Agriculture for the opportunity to include equipment and livestock in Bill 4, and the fact that the equipment and livestock are part of property in Bill C-117, if he will now support Bill C-117?

HON. B. URUSKI: Madam Speaker, I have indicated publicly, had Bill C-117, as the member points out, gone as far as to protect farmers in terms of having a negotiated settlement, that we would be prepared to give consideration of withdrawing our bill. Madam Speaker, the federal bill does not give that kind of protection. What it does give is allow people to come to apply to a panel for a voluntary arrangement. If there is no voluntary arrangement, or if the financial institution does not wish to come before the panel, no one can force them. There is no incentive for the financial institutions to bargain with the farmers, and that's why, Madam Speaker, one of the main reasons, why we have not supported the federal legislation.

MADAM SPEAKER: The Honourable Member for Virden with a supplementary.

MR. G. FINDLAY: Thank you, Madam Speaker, a supplementary then. Has the Minister arranged a

meeting with the Federal Minister of Agriculture to talk about this jurisdictional problem and the different objectives that the two bills have, to determine what is best for the farmers of Manitoba?

HON. B. URUSKI: Madam Speaker, our staffs are in communication and, in fact, it's my hope that either later today or tomorrow, I will be attempting to further our discussions that we had in the month of May, in Ottawa, and to see whether or not this jurisdictional question, in terms of the possibility of having separate boards, can in fact be worked out so that there would be basically one board in the Province of Manitoba, and that we could cooperatively work to resolve this potential problem.

MR. G. FINDLAY: Just quickly, Madam Speaker. Could I ask the Minister to table that information to the House, as soon as it is available to him?

HON. B. URUSKI: Madam Speaker, I will be very pleased to advise members of this House on the outcome of our discussions and negotiations as they proceed and there is something to report to the House.

55-Plus Program - estimated number

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Thank you, Madam Speaker. I'd like to direct a couple of questions to the Minister responsible for Employment Services and Economic Security. How many Manitobans will be participating in the new 55-Plus Program for seniors, and who are about to be seniors?

MADAM SPEAKER: The Honourable Minister of Employment Services.

HON. L. EVANS: Madam Speaker, it's impossible to tell at the moment. The enhanced and expanded program begins on July 1st. However, we've estimated that those 65 years of age and over, another 5,600 will probably be in the new program, and those between 55 and 64 — and that this depends on the applications of course, another 3,700. So we expect the total number of Manitobans to benefit by 55-Plus to go up between 9,000 and 10,000 to a total of roughly 27,300 people.

MR. C. SANTOS: Supplementary, Madam Speaker, can the Minister inform this House and the people of this province how he intends to let every eligible senior citizen be aware of the benefits of this program?

HON. L. EVANS: We do have an advertising program to advise people to participate, particularly those between 55 and 64 years of age, because they can only receive the benefit if they apply, and of course, fall within the guidelines. But we do have a comprehensive advertising program using all the media, some transit advertising, and so on.

I just might add, Madam Speaker, that as of last Monday, one day alone the office received 1,500 phone calls so there is quite a bit of interest in this.

MR. C. SANTOS: Final supplementary, Madam Speaker.

Can the Minister inform this House, and the people of this province, how much this program will cost Manitobans?

HON. L. EVANS: Madam Speaker, our best estimate now is that the program will rise from roughly \$3.3 million to \$9 million, so we anticipate transferring an additional \$6 million to people in low incomes, 55 years of age and over, in the Province of Manitoba.

MADAM SPEAKER: The Honourable Member for Gladstone.

MRS. C. OLESON: Thank you, Madam Speaker.

To the Minister of Employment Services. Some of the television commercials that I've seen are rather unclear as to what age you can qualify. Do you qualify after you're 65 years of age and are on a pension?

HON. L. EVANS: Well, as we explain in the pamphlet, Madam Speaker, you qualify from the age of 55 on, but there are two categories, I might say. If you are 65 and over, through the cooperation with the Federal Government Department of National Health and Welfare, we will automatically know whether you can qualify under the program, so those people need not apply. But if you're between 55 and 64, the only way you can get in the program is through an application process.

We invite the cooperation of all members, the assistance of all member of the House, getting the word out to those particularly in the 55 to 64 years of age category.

Education - Canadian Test of Basic Skills, provincial norms

MADAM SPEAKER: The Honourable Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Madam Speaker. My question is to the Minister of Education.

Given that the Canadian Test of Basic Skill test results have shown that there is an urgent need to address the quality of education in Winnipeg School Division No. 1, and because there is a concern as to how students throughout Manitoba schools are performing in the basic skill areas, will the Minister, first of all endeavour to obtain the information giving the provincial norms, and if he has that information, will he then make that information available to, first of all, the school divisions and to this House?

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Thank you, Madam Speaker.

First I would like to indicate that there are two sets of two quantitatively different assessments that go on in school divisions. One is the curriculum assessment, which is the responsibility of the Provincial Government and which has been undertaken since 1979; the other is related more to individual achievement levels, whether

they be through basic skills or information. The school divisions are responsible for student assessment. Part of that assessment, in some school divisions, includes the Canadian Test of Basic Skills; it is not universally done.

The Department of Education, the Provincial Government, does not have access to that information. At one time the province did access some of that information. We provide a scoring service to school divisions for the Canadian Test of Basic Skills, or now the Canadian Achievement Test, based on a U.S. test, but the province does not per se have that information or that information base.

It is the responsibility of the school divisions. And because of the variety of tests that are used, because all divisions don't use it, that is not something that the department is going to undertake at this time.

MR. L. DERKACH: Well, Madam Speaker, can the Minister tell this House how many of the school divisions across Manitoba are, in fact, offering the CTBS Test, as opposed to the CAT test?

HON. J. STORIE: Madam Speaker, off the top of my head, no I can't. I believe it's about 50-50.

I want to point out, however, that the member's initial question referenced the results that pertain to the Winnipeg School Division. I pointed out on Friday that the results in question are not clear-cut, that there's a significant difference of opinion amongst professionals, amongst teachers, amongst educators in general, about the efficacy of using tests of basic skills to determine the adequacy or inadequacy of a curriculum program, on educational standards.

It's not appropriate; it's not deemed to be appropriate for that purpose.

MR. L. DERKACH: Madam Speaker, a supplementary question.

In view of the fact that the Minister is acknowledging that there are some problems, will he then endeavour to seek out the provincial norms and make them public?

HON. J. STORIE: Madam Speaker, I can certainly make public — and the member has already had access to — that information dealing with the provincial standards in terms of the curriculum and the level of achievement that students from across the province have in the curriculum. The member knows that curriculum assessment has been undertaken in virtually every course area — science, math, reading.

There has also been some supplementary testing which provides, as a result of testing that was done in 1979, '80 and '81, a base from which to compare our progress or the degree of progress in particular curriculum areas. That information is published, it is available in the Legislative Library.

I can certainly provide the member with copies of the assessment review in each curriculum area since 1979. It provides provincial data and gives a pretty thorough review of where our students are in the basic curriculum areas.

Education - curriculum assessment

MR. L. DERKACH: Thank you, Madam Speaker. I have a new question for the Minister of Education with

respect to a topic he just brought forth, and that is, the curriculum assessment. Can the Minister tell this House how many times the assessment has been carried out with respect to mathematics since 1979?

HON. J. STORIE: Madam Speaker, I believe only once. I would point out to the member that there is an ongoing program of assessment, that reading now has been assessed on two occasions, and that what we're establishing, Madam Speaker, is very important for the long-term development of quality education in the province.

First of all, we have to assess what the curriculum is providing our young people. Then, in subsequent years, we have to assess how we've developed from that base. I would acknowledge that the whole area of curriculum assessment and achievement in the area of curriculum development has been late coming to the Province of Manitoba, perhaps to Canadian schooling in general, but it is here. We do have some provincial norms upon which to assess our progress over the coming years.

I've indicated that there will be some comparative reports available comparing the early years with more recent testing to give us an idea of where we're going.

MR. L. DERKACH: Madam Speaker, can the Minister tell this House whether provincial norms are available to school divisions on the assessments that are being carried out?

HON. J. STORIE: Yes, Madam Speaker, I believe the provincial data is available which shows a province-wide view of what is happening. It is not broken down by division, nor by individual school, but school divisions have some ability to do an internal assessment based on what is happening in the province as a whole.

MADAM SPEAKER: The Honourable Member for Roblin-Russell with a final supplementary.

MR. L. DERKACH: Thank you, Madam Speaker. I'd like to ask the Minister of Education if he in fact will make sure that the provincial norms, norms I repeat, will be made available to school divisions in Manitoba?

HON. J. STORIE: Madam Speaker, I believe that is being done.

Patent Act - amendments to re pharmaceuticals

MADAM SPEAKER: The Honourable Member for Ellice.

MR. H. SMITH: Madam Speaker, my question is to the Minister of Health. Recently the Pharmaceutical Association of Canada issued a newspaper supplement which urged the Federal Government to amend its Patent Act so as to prevent generic drugs manufacturers for producing low-cost substitutes for name brand drugs. Could the Minister indicate what impact such a move have on the consumers of Manitoba?

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Yes, Madam Speaker. If this bill was brought in, it would cost the taxpayers of Manitoba between \$10 million - 12 million dollars without any benefit to Manitoba.

MR. H. SMITH: Will the Minister be urging the Federal Government to amend The Patent Act, or what action are you contemplating taking?

HON. L. DESJARDINS: Madam Speaker, with a majority of other Ministers of Health of other provinces, especially in the west, we made a presentation to the Federal Minister. We haven't heard any final reply yet.

MPIC - Autopac renewal date

MADAM SPEAKER: The Honourable Member for Springfield.

MR. G. ROCH: Thank you, Madam Speaker. My question is to the Minister responsible for MPIC. Given the fact that the end of February is usually a very cold time of the year, therefore, making it very inconvenient and uncomfortable for senior citizens, indeed for most people for that matter, to replace licence plates and/or clean dirt off a frozen piece of metal in order to attach validation stickers; and given the fact that the Canadian Pacific Pensioners Association has recommended that the Autopac renewal date be changed to the end of April, my question then is will the Minister consider making such a change to the Autopac renewal time, thus making it more convenient for most people, and especially for our senior citizens?

MADAM SPEAKER: The Honourable Minister responsible for MPIC.

HON. J. BUCKLASCHUK: Yes, thank you, Madam Speaker. That letter, I believe, was sent to all MLA's and I should indicate that I've reviewed the contents of that letter and asked for the Corporation's response to that request.

MR. G. ROCH: Is there a possibility then that we can expect some changes to the Autopac renewal date, given the fact that you've asked for a review?

MADAM SPEAKER: Will the honourable member please address his questions through the Chair.

MR. G. ROCH: I'm sorry Madam Speaker. Madam Speaker, and to the Minister responsible for MPIC. Given the fact that he's informed this House that a review is being undertaken on this question, is it possible then that we can expect some changes to the Autopac renewal date?

HON. J. BUCKLASCHUK: Yes. The matter of an Autopac renewal date has been under review for some time. I've asked the corporation to take a look at the request by this particular group to see how it fits in with the other review that's taking place, and when a decision has been made I shall so inform this House.

MR. G. ROCH: Is it possible that the Minister could give us an approximate time as to when we would know the results of this review?

HON. J. BUCKLASCHUK: Yes. I don't imagine that I would have it for the next month or six weeks, but probably sometime after that.

MR. G. ROCH: I would just like to add, Madam Speaker, I'd like to thank the Minister for undertaking such a review on behalf of the senior citizens of Manitoba.

Motive Fuel Tax Levy

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, my question is directed to the Minister of Finance. Trans Canada Pipe Lines will be offering shipping discounts of about 55 cents per thousand cubic feet for natural gas to Ontario and Quebec distributors, but not to those in Manitoba because of the Manitoba tax on motive fuel. In view of the fact that in Brandon, for example, Madam Speaker, we're told that the average annual bill for consumers could be reduced by \$60.00, instead of a projected increase of about \$59.00, will the Minister reconsider this province's motive fuel tax levy?

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker, I thank the member for that question. Somehow though the figures that he's been given by someone don't seem to match the facts, Madam Speaker. If one was to look at the total cost of the added tax burden on the pipeline, one would see that the cost for Manitoba consumers, if it was passed on an equal basis to all other consumers that are serviced by that pipeline, that the cost to a Manitoba consumer would be \$1.50. If one were to take the argument of the pipelines, in this instance, and put all of the cost on Manitoba taxpayers, you would find a cost of \$24.00 maximum, not the \$60.00 that's being suggested by the member opposite which is the same figure that has been suggested by the pipeline company, so somehow their figures don't match.

The increase in taxation is one that is passed on like any other increase cost to all consumers of that product, whether they be in Manitoba, or anywhere else. If that were the case the cost would \$1.50 per consumer.

MR. J. McCREA: Madam Speaker, for the Minister's edification the figures I gave . . .

MADAM SPEAKER: Does the honourable member have a question?

MR. J. McCREA: Yes, Madam Speaker. The figures do not come from the pipelines, they come from Inter-City Gas which is the distributor here in Manitoba. How does the Minister propose to stand up for Manitoba in this situation so that consumers in Manitoba can benefit from such discounts, to whatever amount, just like other Canadians can?

HON. E. KOSTYRA: Well the position, as I indicated, is that the amount of money that it would Manitoba

consumers if the company passed on those costs in equitable fashion would be \$1.50 per consumer, so we will be intending to meet with the company to find out what is behind their situation, where they are suggesting that somehow, because of an imposition of the tax that they can cost Manitoba taxpayers three or four times, at least, the cost of that tax throughout their system, I think it requires some dialogue and discussion with the companies because to suggest that somehow consumers are going to be impacted by \$60.00, when the actual impact would be \$1.50, requires obviously some explanation from that company.

MR. J. McCRAE: Madam Speaker, after the Minister has his meeting will he please report to this House whether the figures he's giving us today are correct and, if they're not, will he come to this House and let us know what the proper figures are

MADAM SPEAKER: Order please. It is not in order to suggest that a Minister is telling anything but the truth.

The Honourable Member for Brandon West.

MR. J. McCRAE: On the point, Madam Speaker, if I made any such suggestion that the Minister intentionally would mislead this House I would withdraw that without hesitation and without any reservation whatsoever. I merely asked the Minister if he can confirm the figures he gave today at a later date, after meeting with the distributor.

HON. E. KOSTYRA: Yes, Madam Speaker, I can confirm those figures today, or at a later date, because that is the actual figures in terms of the cost of that tax on the companies. But, as I indicated, we are prepared to meet with the company, in fact we'll be asking for a meeting because they haven't responded in the past to such a meeting, but we'll be asking for a meeting specifically because of what they've stated in terms of increasing the impact to Manitobans well beyond the imposition of that tax.

MR. J. McCRAE: Madam Speaker, will the Minister turn his attention to the proposed benefit from receiving a discount from a pipeline company, as opposed to measuring out what the actual impact of the tax is?

HON. E. KOSTYRA: Thank you, Madam Speaker. As I indicated, that situation is such that the company is not being forthcoming in terms of the impact of that tax and the way that it ought to be shared by all consumers of that product, the benefit from its movement through the Province of Manitoba, and the imposition of that tax. Any other benefits that they may accrue, as a result of sharing agreements, ought to be dealt with in the normal way, and not impacted by this or any other taxation measure of this province, or any other province.

Taxation - Business Transfer Tax

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Thank you, Madam Speaker.

I direct my question to the First Minister. The Premier and this government for some time have been calling for major federal tax reform and, given that the Federal Minister of Finance in the February 26th Budget introduced the concept of a business transfer tax, something akin to a value-added tax, can the First Minister indicate whether the Government of Manitoba has a position or a policy with respect to this new concept of federal taxation?

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker.

We obviously were aware of the statement in the Federal Budget with respect to that tax measure, and I recently was at a meeting with other Finance Ministers and the Federal Finance Minister last Friday in Victoria — it seems the member has a problem there — and that tax was reviewed by the Finance Ministers and the Federal Finance Minister indicated, in a general way, how they were approaching that tax. We asked a number of questions and asked for some clarification on the way they were planning to implement that tax, and we will be continuing that review with the Federal Minister, as indeed are all Finance Ministers in this country, reviewing the proposed tax measures and changes with respect to the business transfer tax with the Federal Minister, and we'll be formulating an opinion once we have the required information, both in terms of its impact on businesses across Canada and its impact on other levels of government, such as, the provincial government and municipal governments in Manitoba.

MR. C. MANNES: Madam Speaker, as this tax has a potential of bringing forward a radical change in taxation, can the Minister of Finance indicate when the Province of Manitoba will have a policy in place? Can he also indicate what type of time frame that the government is giving themselves to more adequately prepare themselves with respect to this tax?

HON. E. KOSTYRA: Well, the Province of Manitoba will be formulating a position with respect to that tax once we receive all the information that's been promised by the Federal Government. At this point, we have had some preliminary information. The Finance Minister has indicated that he will be providing subsequent information to the provinces on this tax and it will be discussed at a further meeting of Finance Ministers within a couple of months. Until we get all that information, the province will not be passing judgment or forming an opinion until we get all the information so we can make an intelligent decision on behalf of the Manitoba taxpayers.

Taxation - comprehensive documentation of

MR. C. MANNES: A final supplementary, Madam Speaker.

The government again has indicated their desire to see major tax reform. Can the Minister indicate whether this government will be preparing a comprehensive

document dealing with all areas of taxation federally, as they indirectly would apply to Manitoba?

Madam Speaker, I offer the question again to the Minister. I would ask him whether or not it's the government's intention to prepare a comprehensive tax document, given that the Federal Government at this time is considering other ways of taxing; whether or not his government is going to prepare a comprehensive document dealing with all areas of taxation?

HON. E. KOSTYRA: As was indicated in the Budget, we are going to be looking very closely at tax reform within the provincial context over the next coming months, and it will be my intention to have, some time later this year, some information and documents that will be available for public discussion looking at the question of tax reform in Manitoba.

Business Development and Tourism - tabling of Annual Report

MADAM SPEAKER: The Honourable Member for Portage la Prairie.

MR. E. CONNERY: Thank you, Madam Speaker.

Under the now Minister of Education, the Provincial Auditor says that the Department of Business Development and Tourism was an example of ineffective management information systems and have not submitted satisfactory Expenditure Estimates data for both 1984-85 and '85-86. Is it that poor management is the reason the report is late in being tabled?

MADAM SPEAKER: The Honourable Minister of Business Development and Tourism.

HON. M. HEMPHILL: Thank you, Madam Speaker.

I'm pleased to be able to indicate to the member opposite that the report that he's asking for will be tabled, I think, tomorrow.

MADAM SPEAKER: The time for Oral Questions has expired.

INTRODUCTION OF GUESTS

MADAM SPEAKER: Before moving to Orders of the Day, I'd like to direct the attention of honourable members to the loge to my right where we have visiting with us today, Mr. Gordon Fines, who was the CCF MLA from 1949-53 for the constituency of St. Matthews.

On behalf of all the members I'd like to welcome you to the Legislature this afternoon.

MADAM SPEAKER: The Honourable Member for Elmwood.

MR. J. MALOWAY: Madam Speaker, I request leave of the House to revert to Presenting Reports by Standing and Special Committees.

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

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MADAM SPEAKER: The Honourable Member for Elmwood.

MR. J. MALOWAY: Madam Speaker, I beg to present the Second Report of the Committee on Economic Development.

MR. CLERK, W. Remnant: Your Committee met on Thursday, June 19, 1986 at 10:00 a.m. in Room 255 of the Legislative Building to consider the Annual Report and Consolidated Financial Statements of A.E. McKenzie Co. Ltd.

Messrs. Raymond Kives, Chairman of the Board, and Keith Guelpa, President and Chief Executive Officer provided such information as was requested by Members of the Committee with respect to the financial statements and the business of A.E. McKenzie Co. Ltd.

Prior to passing the Annual Report, Your Committee adopted the motion moved by Hon. Mr. Schroeder "THAT item 10 on page 7 in future not be a part of the Annual Report but be presented separately to the Committee."

Your Committee examined the Annual Report and Consolidated Financial Statements as of October 31, 1985 and 1984, together with Auditor's Report for A.E. McKenzie Co. Ltd., and adopted the same as presented.

All of which is respectfully submitted.

MADAM SPEAKER: The Honourable Member for Elmwood.

MR. J. MALOWAY: Madam Speaker, I move, seconded by the Honourable Member for Kildonan that the report of the committee be received.

MOTION presented and carried.

COMMITTEE CHANGES

MADAM SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Thank you, Madam Speaker, I have some committee changes.

Economic Development — Manness for Connery, Birt for Oleson.

Under Statutory Regulations — Birt for Derkach.

SPEAKER'S RULING

MADAM SPEAKER: Also, before moving to Orders of the Day, on Friday, June 20th, I took under advisement two points of order; one by the Honourable Member

for Pembina respecting words spoken by the Minister of Energy and Mines. I have perused Hansard and have checked the sound system tapes and there is no record of the statement referred to, therefore, there is no point of order.

Secondly, on a point of order raised by the Honourable Government House Leader respecting words spoken by the Honourable Member for Fort Garry. I have reviewed Hansard in which the phrase complained of, attributed to the Honourable Member for Fort Garry, does appear. These words were found to be offensive by several members; therefore, I must ask the Honourable Member for Fort Garry to withdraw them.

The Honourable Member for Fort Garry.

MR. C. BIRT: Madam Speaker, I was responding to an allegation by one member of the House on the government side to one of my colleagues, and I was responding in anger.

I appreciate that anger has no place in this Chamber, and I also appreciate, Madam Speaker, that it is not my function to protect the rights of the colleagues in this Chamber; it is your function and your function only. For that I apologize for making those statements to this Chamber and I withdraw those statements.

ORDERS OF THE DAY

HOUSE BUSINESS

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Yes, Madam Speaker, perhaps before moving the motion to move us into Committee of Supply, I might indicate to the House that it is our intention to continue with Estimates, calling bills on Wednesday and Friday of this week, Estimates on the other days, and that there will be a meeting tomorrow morning and Thursday, if required, of the Economic Development Committee to review the Report of Flyer Industries; and that tomorrow evening, by leave, we will be dealing with the bill Statutory Regulations and Orders Committee, as well as having the two Committees of Estimates sit concurrently.

I now move that Madam 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, seconded by the Minister responsible for Native Affairs.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Burrows for the Department of Agriculture and the Honourable Member for Kildonan for the Department of Community Services.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY — COMMUNITY SERVICES

MR. CHAIRMAN, M. Dolin: Committee come to order. We are dealing with the Estimates on Community Services where we've left Item 3.(b), Page 33, under

Resolution 31. The Minister has a couple of items she'd like to table.

The Minister of Community Services.

HON. M. SMITH: Yes, I did undertake last day to table the statistics on the number of adoptions by year since 1975, and also information on the procedures regarding letters of approval. That is where the responsibility for licensing residential care facilities is designated to people in the field. If you recall, we got into a little confusion about the numbers of residential placements that were licensed by the staff and we came down to about just under 200 that were done by the staff in our department and just under 500 that are done by means of the letters of approval. So I have the procedure and the criteria for distribution.

MR. CHAIRMAN: The Member for Rhineland.

MR. A. BROWN: Thank you, Mr. Chairman. While we are on licensing — and this was a great concern of ours that there was not enough monitoring could be provided . . .

MR. CHAIRMAN: We're not on licensing. We're on 3.(b). We passed Licensing.

MR. A. BROWN: I realize that, so I was just going to make a comment, because we are receiving the answer now, mind you, to some of the questions that were being raised, so I hope that we'll have a little bit of privilege to just make a few comments, and so on . . .

MR. CHAIRMAN: Sure.

MR. A. BROWN: . . . that we possibly could have missed because of some of the answers which could not be provided at that particular time.

There is quite a concern out there regarding licensing in group homes and it's not only in this department, there were other departments which have group home funding. We notice that one of the areas which would be so difficult to monitor and to make certain — and this is in the area of nutrition, of food. Some of these group homes are operated and owned by people from backgrounds other than Canadian, and they are used to different menus than what is traditionally Canadian, and therefore there are some serious allegations being made about some of the food which is being served. I wish that the Minister would be able to direct her staff to possibly take a look into some of these cases, where somebody from different background does operate one of these group homes, to make certain that the meals, which are being given, are standard meals and that there is good nutritional value. This is a point of great concern.

Now getting back to 3.(b), we've been asking questions on this \$9 million item in bits and pieces and we've received the details as far as staff is concerned. I wonder if the Minister can give us a complete rundown of the \$9 million expenditure, so that we know where all the money is going to.

HON. M. SMITH: Yes, with regard to the first comment, it is true that licensing reviews fire, safety and health standards, and that includes nutrition-balanced meals. I think, again, if there are specific concerns that the member has about specific homes, we would welcome that information so we can double-check. Just going out to say that if you're a non-Canadian and you serve non-traditional food, to me, is not a sufficient basis on which to check up. I think in general the concern is for adequate nutrition and that can come in a variety of forms. So I think, again, I would invite and encourage the member, if he has concern about specific homes, to alert the department so that we do have a chance to be vigilant and ensure that people are well-nourished.

Now back to the main question, I think I did outline in general, last day; however, I will review it quickly. The general function of this area is providing for departmental field resources for the people who are delivering social services, vocational rehabilitation services, child and family services, mental retardation services, including the use of public funds by external social service agencies.

MR. A. BROWN: That's right, that part we did have. Now I would like to have the amounts of money which were going towards these specific areas.

HON. M. SMITH: The salaries budget is as you see in your book. That covers 286 field staff, the same number as last year; 98.5 in the mental retardation and vocational rehab area; 64 in child and family support; 25 in program support; 15 in family conciliation; 15 in administration and management; 11 child day care coordinators; and 45 clerical support; 9.5 term; and 3 unallocated from the Manitoba Developmental Centre. That's a gradual shift as the downsizing proceeds.

There is, as well, a group of 15 in the agency relations group. There's a director, six coordinators, two financial consultants, four accountant and accounting clerks, and two administrative clerical.

During the year there will be 18 staff reassigned for Manitoba Developmental Centre to regional operations. They'll be phased in as follows: 1 children's care consultant, 4 speech therapists, 10 community services workers and 3 clerical support; for a total of 18.

Other expenditures in the area show a slight increase of \$78,600.00. These are for the regional operating, furnishing and equipment for the 18 reassigned staff as they are phased in from the Manitoba Developmental Centre to support the Welcome Home thrust.

MR. A. BROWN: When an appropriation is not spent or when we are overspent, where does the money go if it's not spent? I notice that in the year 1984-85, the year ending was \$7,921,000, I believe it was, and the actual expenditure was \$8,736,700, so there was approximately \$815,000 overspent.

Was there a special request made from the Department of Finance in order to cover this, or where did you get the money?

HON. M. SMITH: During the budget process, we identify as closely as we can the expected requirements and the criteria being used to dispense monies. If, during the year, the volume of service is up or there are unusual

circumstances, our Treasury is alerted. Again, some of the expenditure items are open in the sense that if the volume is up, the money is made available. Others, if the expenditure is over budget, there has to be an approach to Treasury and a full justification and, if that is complete, then Treasury puts the extra money into the supplementary warrant. If there is a surplus left in an account, it lapses, so it's not available for the following year.

MR. A. BROWN: Well, it seems to me that when you're on \$8,736,000, and when you're almost \$1 million out on that, somewhere along the line the budgeting has not been done very carefully. I would like to know. Was there some special circumstance in that particular year that you had to go over, or why could you not be closer than what you actually were?

HON. M. SMITH: I think the member is working on last year's budget where a reconciliation statement would have been submitted for difference year by year. Sometimes, it's the case of a function being moved in or out of an area. In some cases in agency relations, it was the tidying of previous ways of funding agencies and the move throughout the entire department has been to get to a much tighter accrual accounting method, so that we're more on top of commitments made as they're occurring. We can quickly identify whether there is a divergence from the budget and move in and see whether it's something that can be remedied or, if not, if it's something that is a genuine emerging need.

Again, I can't be specific about the previous year's situation, but I'll be happy to answer anything that shows up in this year's budget.

MR. A. BROWN: Well, I checked the reconciliation statement and I couldn't really find out from the reconciliation statement just exactly what had occurred in that particular year. I would appreciate it if the Minister would check back one year to find out why we were out that far. It will be most helpful to know why the extra \$815,000 was needed.

HON. M. SMITH: Well, again, I do repeat that the member is referring to a year earlier than the year that we're looking at right now. I say I'm more than happy to give a full accounting of the material in front of us. I don't know whether the member asked that question last year. I presume if he spotted it then, he would have asked and received a reply.

In some cases, there are salary agreements that are not completed at the time of budgeting, and so they are added, but they do become an expenditure during the year, so that in some cases would account for a significant variation.

MR. A. BROWN: Mr. Chairman, sometimes it is necessary for us to go back a year because we see the figure that has been budgeted, but then next year we see the figure that is actually spent and that is what I'm referring to. That is why I am going back one year because we only received those figures now.

HON. M. SMITH: We'll do our best to look back. I think the member's referring to '84-85 is he not, not '85-86 or '86-87?

MR. A. BROWN: I went back to '84-85 and then '85-86 and '86-87, and I found that sometimes you had budgeted for more money than what was being spent. This particular one where you were out that far, that was of a particular concern of mine.

HON. M. SMITH: Again, if the member could submit to us his specific concern, we'll do our best to look it up. But I think the time you do get the Annual Report for the year completed, before you deal with the budget for the subsequent year and I think that any such discrepancies are best dealt with in that time context. You're taking it back another full year.

We do table any adjustments that are made because of shifting programs around. We do undertake a reconciliation for your assistance there, but where you're asking to go back and really review the 1984-85 expenditure, vis-a-vis the 1985-86 budget and the 1986-87 budget, I do think that the member may be stretching the privilege of this committee somewhat.

MR. A. BROWN: If I remember correctly, 1984-85, that you had budgeted for about \$500,000 more than what you actually used; 1985-86 you were over or you required \$815,000 more. Now this is the type of thing that I'm wondering, why did we need \$815,000 more and where did we really not spend them at that particular time? You can only come up with this — at least you have to go back one year for sure from the actual Estimates that we're on — before you can actually find out whether the monies were used or not.

HON. M. SMITH: Well I did describe the general procedure. If one is under budget, the money lapses; if one is over budget, one has to go through the treasury process to ensure that the money was in fact spent and it was appropriately spent, and if that's the case, the money is provided through supplementary warrant. When going through one's following year budget, one still has to justify any year-over-year increases. I think where the member may be having difficulty is that there was a major adjustment to the 1985-86 printed vote, and that occurred because there were 16 staff that used to be paid directly out of this area. They provided the Child and Family Services in West Winnipeg.

You may recall last day, I described how the Children's Aid Services in Winnipeg were provided partly by Children's Aid Eastern, partly by Children's Aid of Winnipeg, who had private boards, and then there was a direct service component in West Winnipeg of 15 people. Now they were seconded to Child and Family Services, West Winnipeg, took them off the direct government payroll, seconded them over to — plus another person went to Manitoba Health and that was to accommodate the new mode of Child and Family Service delivery where Winnipeg West now has its own board and hires its own people. This was a seconding of staff currently directly employed by us, over to them. That would have accounted for the major shift.

MR. A. BROWN: The Minister stated that 15 staff were employed by external agencies. Does this cover all external agencies or are these just some external agencies in the City of Winnipeg? Could the Minister elaborate on this?

HON. M. SMITH: The Child and Family Services in Manitoba have had many modes of delivery. Some are by private agencies or community agencies which we fund. Some have been provided directly by government. This adjustment was made only to accommodate the shift in Winnipeg, of direct service in the St James area, from direct delivery by government to delivery by a community-based agency.

There are many, many more people involved in both direct delivery and in agency delivery than those numbers and there's hundreds of people involved in the service, but this was the only major shift, year over year.

MR. CHAIRMAN: The Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Mr. Chairman. If I'm correct, the Minister said that there would be 18 phased in to this particular operation, from the Manitoba Developmental Centre. Is that correct?

HON. M. SMITH: Yes, during the year, as the reduction in numbers at MDC enables it. In other words, we will keep our slightly improving staff plant ratio at MDC and then the extras will be reassigned to regional operations.

MRS. S. CARSTAIRS: Throughout the discussion of the Welcome Home Program and the need for closing the Psychiatric School of Nursing at Manitoba Developmental Centre, one of the arguments presented by the government was that the psychiatric nursing training was not appropriate for the Welcome Home Program.

Why will these 18 people be in appropriate placements in the Welcome Home Program?

HON. M. SMITH: Not all the service at MDC is delivered by psych nurses. They are the largest group, but there are many others as well.

The group that is being transferred are made up of, (1) Children's Care Consultant . . . Correction please.

The staff spaces at MDC will become available with the reduction in clients there. In fact, there will be vacancies that will be shifted to the regional service delivery by attrition. They will not be live people; they will be staff years. In their reassignment we will hire in place of people who would have been hired at MDC — the group that I described — one children's care consultant, 4 speech therapists, 10 community service workers and 3 clerical support.

MRS. S. CARSTAIRS: Just to clarify, Mr. Chairman. So we're not talking about actual individuals, we're talking about staff years.

HON. M. SMITH: Yes.

MRS. S. CARSTAIRS: I assume that is what results in the additional \$670,000 in salary for this particular section of the budget. Why is there a corresponding increase of \$745,000 in salaries at Manitoba Developmental Centre?

HON. M. SMITH: Again, the total salaries change would be a mixture of variations in the staff that we have

already and the ones that are added, and accommodating salary increases; so there's no one simple factor in the salary figures, but these are, we think, accurate figures.

MR. CHAIRMAN: 3.(b)—pass; 3.(b)(1)—pass; 3.(b)(2)—pass.

The Minister of Community Services.

HON. M. SMITH: There is one clarification in that the salary for the 18 staff years will show up in the MDC budget this year, but the bodies, in a sense — not the bodies but the spaces — the staff years will be transferred to Regional Service as the need becomes available. In other words, there'll be a gradual attrition at one end and a filling of the new service deliverers at the other end.

MRS. S. CARSTAIRS: I'd like a further clarification on that. What you're really saying is that these people will not be located in Winnipeg, they will be located around the field, or in the field?

HON. M. SMITH: They'll be located where they're needed. The salary costs are budgeted in 09 3.(c). The 18 staff will be reassigned during the year to this line and will show up next year, their salaries will show up in this area.

MR. CHAIRMAN: Item 3.(c) Manitoba Developmental Centre — the Member for Rhineland.

MR. A. BROWN: Mr. Chairman, I believe that there was one further question on 3.(b), if I'm right.

MR. CHAIRMAN: Oh, sorry about that. The Member for River East.

MRS. B. MITCHELSON: Mr. Chairman, I'm not sure if this is the place to ask this question, maybe the Minister could confirm to me. If I have any questions about Spite House in North Kildonan, could I ask them at this point?

HON. M. SMITH: Under 3.(d) would be appropriate.

MRS. B. MITCHELSON: Thank you.

MR. CHAIRMAN: Item 3.(c) — the Member for Rhineland.

MR. A. BROWN: The Manitoba Developmental Centre has been rather a controversial item with us in the last while. I wonder if the Minister would care to make a statement on the Manitoba Developmental Centre before we start asking questions?

HON. M. SMITH: I did give a fairly lengthy description the other night of the general reasons for the downsizing of institutional care and the increase on the community side. The figures you have in front of you are the salaries and other expenditures. The salaries represent a net decrease of 7 staff that were transferred - 3 to Government Services and 4 to Manitoba Health. The Government Services ones had to do with grounds

maintenance people, Government Services, in a sense, carries on that responsibility for us; and the Manitoba Health transfers were the psych nurse school faculty. The operating has been increased by \$14,200, transferred from Professional Training. That's to accommodate the psych nurse training that is ongoing.

MR. A. BROWN: Mr. Chairman, I find things rather strange in this Appropriation. I believe that there's about 60 of the mentally retarded have been transferred into other communities now, as a result of the Welcome Home Program, 220, in total, I believe by Christmas are supposed to be transferred out of Portage la Prairie into other communities, as a result of the Welcome Home Program; yet, we have an increase of \$800,000 in salaries. Now what's going on? Surely, when you're going to transfer that many of the mentally retarded out of this particular facility, out of the Manitoba Developmental Centre, then surely somewhere along the line you will be needing less staff to look after the requirements at the Manitoba Developmental Centre. So I wonder if the Minister could tell us what's going on? Why are we going to increase this by \$800,000.00?

HON. M. SMITH: Well this is the other half of what I referred to earlier. The 18 staff years will gradually be transferred to Regional Services during the year. The salary for this year shows up here for those 18, next year it will show up in the regional operations side and that's because the transfer of the staff years will occur during the year, as the institution downsizes.

MR. A. BROWN: How many SY's do we have over there at the present time?

HON. M. SMITH: From 670 to 666. The reason the total is — we talked about the 18 leaving — we're also improving the staff-client ratio. Perhaps I could just give you the summary of what has been happening on the population and the staff-resident ratio.

As of October 1, 1984, there were 785 residents. There were 726 staff years to look after them. During the year there was a deletion of 9 staff year because the farm was discontinued, leaving 717 staff, therefore, the staff-resident ratio we were working with was 717 staff for 785 residents, or a ratio of .91. At the end of Phase 1, there will be a reduction of 70 residents and 40 staff.

There are other variables. The transfer of 4 staff years to Health for the Psychiatric Nursing School; a transfer of 3 SY's to Government Services for grounds maintenance; an addition of 10 staff years for holiday relief, as a result of the last MGEA contract. At the end of Phase 1, there will therefore be 680 staff year, and that ratio, 680 staff year and 715 residents, will be .95. This will be the situation approximately now, June, 1986. At the end of Phase 2, there will be a further reduction of 70 residents and 40 staff years, so we will then have a staff-resident ratio of 640 over 645 or .99.

Based on current information, at the end of Phase 2, there will be a further reduction of 70 residents and 40 staff years, leaving us with a final staff-resident ratio of 600 staff to 575 residents or 1.04.

MR. A. BROWN: Has the Minister had a cost study done on the entire Manitoba Developmental Centre?

It seems to me that, in spite of the fact that 220 of the mentally retarded are going to be going into the community, there really is going to be very little saving at the Manitoba Developmental Centre, plus the cost which will be picked up in the communities and the Welcome Home Program. Has the Minister done any cost study whatsoever, to know just exactly in which direction she is heading with her Welcome Home Program?

HON. M. SMITH: The total approach of Welcome Home was not taken to cut money. It was taken to provide a better and more appropriate quality care for the mentally retarded. So the enrichment in the community is being paralleled by some enrichment at MDC. We do have the staffing pattern that I could give you and a fair picture of how staff will be phased out at one and increased at the other. So I feel that we have a reasonably good and complete handle on the costs.

The types of variable that will continue to be there are salary agreements that are negotiated centrally, improvement in things like workshops and residential care per diems and so on, that will gradually occur in the field. So I think we do have a handle on the process and the associated costs.

MR. A. BROWN: Well, I agree with the Minister that the Welcome Home Program in certain instances is going to be very successful, and some of these mentally retarded should be moved out into the community and I'm sure that the communities are going to provide for them very well and are going to be looking after them very well.

The difficulty is going to be coming when you're going to get into the more serious cases of mental retardation, then I see all kinds of problems arising and the Minister will have to deal with those, of course, when those problems do arise.

But it seems rather strange to me, Mr. Chairman, that the Minister doesn't really know in which direction she is heading. How much more is it going to cost to look after the mentally retarded because of the Welcome Home Program? Is there going to be a saving?

I know last year the Minister said well she expected there was going to be a considerable saving as a result of the Welcome Home Program, that they would be able to be looked after in the community for less money than they could be looked after at the Manitoba Developmental Centre, so we were looking forward to this with anticipation that this possibly could be happening as a result of this. But now we see in the Estimates that this certainly is not going to be occurring. As a matter of fact, we will probably be spending more money as a result of the Welcome Home Program than without it. So I would just like the Minister to justify the monies that she's going to be spending at the Manitoba Developmental Centre.

HON. M. SMITH: I don't think we ever justified the Welcome Home as money saving. What we did argue was that if we kept putting money into institutional care and kept building institutions, that there wouldn't be money available for the community option.

The approach we've taken is that the mentally retarded deserve decent and quality care in the least

restrictive environment. The people who look after them, whether they're in the community fostering them, whether it's their own family even, or whether it's in an institution also deserve reasonable working conditions and wages. So it's an attempt to build a system that had efficiency, yes, but quality as well.

The open-endedness of care for the mentally retarded comes from two things: (1) that a lot of families received little or no help before, also (2) that there are more retarded people in the community. I don't just mean out of the institutions, there are more in Manitoba for two reasons: (1) more children with retardation are being kept alive because of the progress of medical science; and (2) more are living longer also because of being better able to meet their health needs. Our commitment is to give them good quality and as efficient care as we can consistent with the quality. We never undertook the Welcome Home Program as a cost saver to the public purse per se.

Now, in so doing, there were some actions we took which reduced expenditure in one area and increased it somewhere else. We also have tried to get some kind of rationalization so that we don't have it very underfunded in one community and overfunded in another. It will take some time before all of that rationalization and system building is completed.

MR. A. BROWN: Well, Mr. Chairman, there were a good number of questions asked on this and I know that there are some other members over here who are anxious to go on the Manitoba Developmental Centre, so I'll turn it over to them to ask their questions and we'll pick it up later on.

MRS. S. CARSTAIRS: Mr. Chairman, I'm having some difficulty with the reduction of 86 staff members which is the number given for the next 8, 9 months, and an increase in staff budget of \$745,000.00. Could I have that reconciled please?

HON. M. SMITH: I can appreciate the difficulty of the reconciliations because there are several factors involved. The total figure of increase is \$745,000.00. That's made up of the reduction of staff from last year. In a sense, we did the same thing last year. Through the year, we reduced 14. Their salary was in the budget. This year it shows as a drop-off of 516.5.

There is a general salary increase of 1,061,500; and vacation relief of 200,000 with 10 new staff years added. It was part of the MGEA agreement and that nets out at 745,000 increase. We've been downsizing MDC for — we've already been under way for some time.

MRS. S. CARSTAIRS: I'm still having some problems because, as I read it, the \$745,000 is a 9.5 percent increase in salary. Now, if you're saying that the increase in salary level is accounting to some \$1 million, what kind of salary raises are they getting there?

HON. M. SMITH: They're with the MGEA and they're on the same agreement as everyone else. There are the 700-plus staff there, 700 to 800 staff.

MRS. S. CARSTAIRS: The MGEA got what, 3.5 percent, 4 percent raise? How do we get 9.5?

HON. M. SMITH: There were 10 new staff years put in, their basic salaries, plus for vacation relief. In other words, that was part of the negotiated agreement.

MRS. S. CARSTAIRS: So essentially we're not really seeing the reduction of 86 staff years in this salary figure?

HON. M. SMITH: 86; where did 86 come from?

MRS. S. CARSTAIRS: Well, you told me that the staff was 726 and now it's going to be 640.

HON. M. SMITH: I was describing the different phases of Welcome Home and projecting into the future.

MRS. S. CARSTAIRS: But are they not all to take place by January 1 of 1987?

HON. M. SMITH: No, in a sense, there's a year lag.

MRS. S. CARSTAIRS: Well, Madam Minister, I have read a number of your statements and you have . . .

MR. CHAIRMAN: Excuse me. Could you direct your comments through the Chair. I think we're getting a little out of order here. It should be directed through the Chair.

MRS. S. CARSTAIRS: Mr. Chairman, the press releases of the Minister have indicated that there will be 220 less residents at the Manitoba Developmental Centre by January 1, 1987. I assumed that those were the figures that she was giving when she was decreasing from 785 to 575, with a decrease in staff years from 726 to 640.

HON. M. SMITH: I think the problem is because there's a one-year lag. The staff are laid off during the year and the salary adjustment doesn't show up until the following year, the staff reduction, and the reduction comes through attrition.

MRS. S. CARSTAIRS: Mr. Chairman, that's very true, but this budget goes until March 31, 1987. Surely, by that time, we should be beginning to see some changes in the salaries. Yet we have seen an increase in this budget of \$745,000.00.

HON. M. SMITH: I think the reason is because we have been doing some enrichment in staff at MDC at the same time, and also because of the vacation relief element. In a sense, we've had more staff on to cover the 24-hour care. If the underlying question is what is the expected movement out of MDC, I do have the Community Residents Development information. At the moment, we're seeing a total movement of 210; 69 to date, and the remainder in the next nine months, or eight months.

MRS. S. CARSTAIRS: Mr. Chairman, let me make it perfectly clear, I wouldn't have any difficulty with no staff reductions at the Manitoba Developmental Centre at all, in order to enhance the care which the residents

receive there. However, I'm still having some difficulty reconciling numbers.

However, to move on to another issue, can the Minister explain why the per diem rate at the Manitoba Developmental Centre is significantly less than that paid to St. Amant?

HON. M. SMITH: There's no easy answer. It's a historical difference that has evolved, I think partly because of Community Services patterns in the past, where services tended to get funded in an ad hoc way in response to particular community groups and there wasn't the same attention paid to equity across the system. In a sense, it's to try and reduce some of those inequities over time and develop more appropriate service, that we've undertaken the kind of thrust that we have.

MRS. S. CARSTAIRS: Mr. Chairman, can the Minister tell me when the per diem rate at the Manitoba Developmental Centre will equal that of St. Amant?

HON. M. SMITH: I can't give a date. I think the closing of the gap and the equalization of service is important. We're also undertaking cooperative planning with St. Amant. Fewer children are going in there now. They've dealt with very difficult multiply-disabled youngsters, so that even their constellation of service may alter. I think the effort from the department's stand is to get more comparability, but I can't give you an exact target date for equalization.

MRS. S. CARSTAIRS: Mr. Chairman, although the Minister has announced that there's a \$2.7 million physical facility centre that will be built at the Manitoba Developmental Centre, there is no capital budget for this department. From what department can we expect that to be paid?

HON. M. SMITH: Government Services customarily budgets for government-wide capital. They also pick up some of the maintenance heating costs of an institution like MDC — they pick up all of those costs — so that in a sense, the comparability of the per diems between St. Amant and MDC — they appear more discrepant than they actually are. It may not be — it's not the only way, obviously, to display costs but that's been the pattern in government.

MRS. S. CARSTAIRS: Thank you, Mr. Chairman. One of the concerns that I raised in the Legislature with regard to the new physical facility centre and basically the programs that will come from that centre, was the difficulty of transportation of residents from their Manitoba Developmental housing or buildings, to the facility centre. In speaking with staff, there seems to be a grave concern that as the level of ability of the mentally-retarded at the MDC declines — that is not the purpose of Welcome Home and I recognize that, but everyone seems to agree that it is easier to place those who are less profoundly retarded and, therefore, those are the ones who are getting placed first — that there is a great deal of difficulty in accessing that new centre which is to be built.

The staff are concerned about the winter, when they will have to dress the residents, get them to the centre

through snow and whatever, and then undress them upon their return, and that there isn't sufficient staff or time to in fact get them to the centre, and that they would have preferred to have seen activity centres placed throughout the Manitoba Developmental Centre, instead of one major centre.

Can the Minister explain the rationale behind this particular centre?

HON. M. SMITH: I appreciate when any building is being designed that there are many different configurations that can be looked at. I suppose one could argue that the whole MDC should be under one roof or that the cafeterias should all be in one place. There are many variables.

We haven't heard that particular concern expressed by staff. We do know that there is some actual therapeutic value in people getting a breath of outdoor air. It may in fact require a little extra coat or cover, but the land is very flat, walks are shoveled, there is reasonable access.

Since one of the goals is often to have people in as normalized a setting as is possible, having some break in the day where you sort of go out to something that is equivalent to work and a different environment and then return for a meal, or certainly to sleep, may itself add something to the lives of people. There are wheelchairs and so on and, of course, having enough people to push them and not overworking staff is something we're concerned about too, but it's not been a concern that's emerged during the planning process.

I appreciate the member thinks it's a major concern, and we may just have to agree to differ, but she has sensitized us to the issue. If we hear any concern, we'll do our best to listen to it and certainly ensure that the building has good access.

MRS. S. CARSTAIRS: I was interested in the fact that the Minister mentioned food services. In fact, the food services are located in each and every one of the units at the Manitoba Developmental Centre, that the individuals do not have to go to common places for food, the food comes to them. That I guess is the reason why I questioned whether activities shouldn't go to them as well instead of distributing them out.

Can the Minister give me some idea of when this centre will be completed and what kind of additional staff are they looking to in that particular centre?

HON. M. SMITH: The expected date of completion would be summer '87. The staffing complement, we're not looking for significantly different staffing other than the gradual improvement in the ratio. People do undertake some type of day programming and some type of vocational activity now, and this should just enhance the type of programming that's possible.

MRS. S. CARSTAIRS: I know there are others who have questions about the Manitoba Developmental Centre so I will pass them on.

I would just like to make this comment that I think a trip to the Manitoba Developmental Centre should be compulsory for every single MLA at least once every four years and then the Centre would not look the way it looks at the present time.

MR. CHAIRMAN: The Member for Niakwa.

MR. A. KOVNATS: Thank you very much, Mr. Chairman.

I hope that some of the points that I'm going to bring up, particularly on the Manitoba Developmental Centre at Portage, will not be repetitive, although I've not had occasion to be at this committee meeting previous to now. I'm not going to get down to the point of dollars and cents, things of that nature.

I don't think the Minister and the Government of the Province of Manitoba are correct in their assumption that if they moved the psychiatric school or they close down the psychiatric school, it's going to benefit any group at all. I can't see it benefiting any group at all, inasmuch as the Minister has never, ever, to my knowledge, been criticized for allowing the psychiatric school or the residence to remain at Portage la Prairie.

If there's any criticism, it would be not for money spent but for money not spent. So I think the Minister is making a big mistake in making these changes at Portage la Prairie, particularly against every recommendation that's been made from everybody else. I don't know where the Minister is getting her information, her recommendations, but I would tell her right now I think that she's making a mistake.

I've had the opportunity of visiting at Portage la Prairie, going through the school in pretty good detail. It's an emotional issue, this school. I'm not really just talking about the nurses at this point; I'm talking about the residents there. I think it's most important that before a decision is made, that everybody who has anything to do with making that decision should visit the home.

I'm not trying to put myself on a pedestal and say I thought enough of the situation to go out and visit the home, but I did. I would hope that the Minister's colleagues would go through the same thing rather than just listen to the people who are making the recommendation to the Minister and the Minister herself.

I have known in the past where in my area we've had some — I guess the term "mentally retarded" is sort of an all-encompassing term. I think I would like to say these people are special people rather than mentally retarded and lump them all into special people. It's a more acceptable terminology to me. But we had some special people, some special students in my area that had to change from one school to another because of different school programs.

I know how it affects them, these changes, having to go from one location to another. The security of knowing their routine and the security of the regular procedure is like therapy for a lot of these people, and I think the Minister has not taken that into consideration by suggesting that some of the special people be moved out of the home at Portage into town into special homes.

I can see some benefit from it, but I can see more bad things coming from it. I know with older people you can't take away the security of residence and moving them around from one place to another. I've had a particular case where this has been a fact, where somebody at my home didn't have the security of knowing where they were going to live and finally they did have that security, it brought their mental state around to a point where it was quite acceptable. It was

quite normal and quite acceptable. So I think the Minister, through some recommendations, is playing with something that's going to have far reaching effects.

I give the Minister fair warning right now that if anything comes of this, and if it's just a matter of saving dollars, I just can't see why these changes are taking place at this point because if it's a matter of criticism later, and I certainly will stand up and I'll criticize the Minister pretty severely, and I'll criticize all of the New Democrats for supporting . . .

MR. A. BROWN: They've got it coming, Abe; they've got it coming.

MR. A. KOVNATS: I mean it; it's a point of . . .

MR. CHAIRMAN: Order please.

MR. A. KOVNATS: Yes, that's right; I've got the floor. Thank you, Mr. Chairman.

I think that we have to reconsider these things, and I don't know how long these recommendations have been in front of the Minister, but I think she's moving too quickly. I would be right there to say if she wasn't moving quickly enough, but in this case I think she's moving too quickly and accepting the reports of people who don't make these reports from the heart, and I think that this is where the New Democratic Party government is losing some of the support that they've had around the province.

They're not dealing from the heart; they're strongly looking at dollars and cents. And do you know what? You can't cut down on service just for the sake of trying to show the people in the Province of Manitoba and the public that you are guarding their monies wisely; you've got to deal somewhat with the heart and I don't think that the Minister is dealing at all from the heart here at all, and giving the proper consideration to the people at the home, the nurses, the residents of Portage la Prairie and all the people of the Province of Manitoba.

HON. M. SMITH: I thank the member for his contribution and I guess all I can say is not all hearts beat with quite the same pace, and not all heads have exactly the same idea as to what's good for people.

I acknowledge that if you take away the necessary supports for people and put them in a state of fear or disorientation that's a bad thing, but I also say that if you put them in too restrictive an environment, treat them as patients all their lives and don't give them adequate stimulus and opportunity to develop within their range of capacity, that you perform an equally unsupportable act on them.

So I maintain that we're moving carefully; we are building balance into the system and it's a responsible attitude. There is more resource going in. It's not easily accessed and it's not an inordinate amount but it is there to provide adequate continuous services for people. I'd just like to say a bit on the nursing school because I do think there should be on the record the perspective that we brought to this.

We're not in the job of only educating professionals or para-professionals when sufficiently skilled staff are not otherwise available to provide care to our target populations. It's not the Community Services

Department's responsibility to provide the education programs when they can be provided to the regular education system including colleges and universities because they also have a role.

The curriculum at the Manitoba Developmental Centre is not unique to North America; other provinces in Canada have schools of Psychiatric Nursing where they don't have this specific discipline but there's often an equivalent training program. The courses that were previously offered at MDC were unique in Manitoba, that were unique, like behaviour modification, will be offered at the two other centres because we're consolidating the training, not eliminating it. A faculty member from the Manitoba Developmental Centre has been involved in developing and monitoring the new courses.

The education component at the MDC hasn't been eliminated, only the responsibility for delivery has been transferred. There still will be opportunity for hands-on experience and specialization in working with the developmentally handicapped, and will still be available through practicum placements.

Historically, the three nursing schools have graduated between 20 and 25 students a year. In September 1985 when students were no longer being accepted at MDC, Selkirk and Brandon increased enrollment to 35 and 33, respectively. The same number of students will be trained in two centres as was the case when all three were in operation.

With the downsizing of the centre, there will be a surplus of psychiatric nurses until 1988 or '89. The need for such personnel in the institution and in the community is being closely monitored. The department continues to be an employer of psychiatric nurses but believes that the care of the mentally handicapped requires a range of skills and people, only some of whom will need to be nurses. Mentally handicapped persons are not necessarily sick or psychiatrically disabled; they require a variety of disciplines and skills to provide adequate support.

We agree that the basic training program for psychiatric nurses under any auspices should assure competencies to deal with the mentally ill as well as the mentally handicapped. It's a more generic approach to training and it'll provide graduates with portable skills that can be utilized in a variety of treatment and employment settings.

To date, the centre's had little trouble attracting qualified graduates at its own program. With practicum placements at the centre being made available there should continue to be no shortage of qualified personnel with the specialized skills available. There's no reason to believe that consolidating the training will compromise the quality. The implication that the centre residents will be placed in abusive situations under the care of poorly trained workers is a direct and unsubstantiated criticism with the instructors and the curriculum in the two existing training programs.

Reports from other provinces indicate to us that nurses with a specialty in psychiatric training represent the minority of staff in direct service delivery in their institutions, and especially in the community nurses generally provide the health care.

In 1984-85, the full year of cost of operating the Developmental Centre Training Program was \$332,000. In 1985-86, the allocation was reduced to \$234,300,

resulting in a \$97,700 net saving to government. This saving was achieved through a reduction in the operating costs, no SY's were deleted. In 1986-87, the total cost to government will be approximately \$179,800, of which \$138,200 was transferred to Manitoba Health for four SY's. This indicates a further saving of \$54,500 to be achieved this year, including the phasing out of three instructor positions. Now again, that's the background on the nurse training. I think I've already commented on the general thrust.

Again we have asked the community people and the many volunteers, there are hundreds probably approaching thousands of people, who are involved now, through their community volunteer groups on boards, providing enriched programming and supports, and they will also be available to signal any particular problems or difficulties. We need the community to help us in monitoring the effectiveness of the program.

MR. A. KOVNATS: I thank the Minister very, very much for the statement that she has just made. There were a lot of facts and figures but we never really got down to what it was about. You can prepare all these statements and hand them out and keep reading them and it doesn't get down to the actual point that I was trying to get across. Maybe I'm not competent enough to get the point across but I'm going to try again.

Is there no feeling for the insecurity of these patients? And I don't want to be cited a bunch of figures, that's not what I'm asking. I'm talking about the security of these people who are being put out into the community and it scares the hell out of them. Are we prepared to do that just for the sake of saving a few dollars and to accept some recommendations that were made by whoever it was, and I don't know who it was, but I'm bringing in the point again. The Minister, it's going to rest on her shoulders and her responsibility and God help these kids; I think they're the ones who are going to be suffering, and I think the Minister should reconsider.

HON. M. SMITH: There are many people who go and get involved in these residential care services and the daily services, who very much care about the feelings of the individuals and their security. But human beings don't always thrive if they're in protected cotton-wool settings either. They need, in different degrees, depending on their stage of development and ability; they need challenge; they need stimulus; they need variety; they need a sense of belonging. I invite the member to come along with me when we have more time available to visit some of these residences, to review 24 hour planning, to see the types of supports and the quality of life available to people who have moved out of an institutional setting.

I've had people visit from Ontario who themselves are retarded, who were in institutions for one reason or another, and have found through the Ontario leadership in this area the opportunity to live in the community. I have listened to them and I've heard the feelings and the intense involvement that they feel in terms of what people with mental disabilities are capable of experiencing. They have told me that by living side by side with people who often couldn't talk or express themselves in the usual way, nonetheless, these people

had feelings. They responded to being given choices. They responded to having stimulus, to having variety in their day, and their plea to us is to enrich the range of opportunities and choices for people who won't have to go into institutional living and for increasing numbers to leave institutions.

We've never said that it could work for everyone and the personal security of each person is important, but a hospital-like setting is not the only place where these securities can be provided.

MR. A. KOVNATS: I thank the Honourable Minister. That response appeared to come from the heart.

I would like to just ask the Minister a couple of other very minor questions at this point, but important questions. Psychiatric services for the patients at the Manitoba Developmental Centre at Portage la Prairie, is it adequate or are we still sending patients from the Home at Portage into Winnipeg for psychiatric treatment?

HON. M. SMITH: Again, I guess I'm having a little trouble with the definition of what you're meaning by psychiatric treatment. Are you saying when there's profound mental illness accompanying mental retardation can we provide appropriate treatment at Portage or do they come to Winnipeg?

MR. A. KOVNATS: Yes. Do we have any cases out at Portage that require special treatment that would have to be taken from Portage to Winnipeg or any other place where there was psychiatric services available to the point where we might have to transfer them out of Portage la Prairie for special psychiatric treatment to Selkirk or some other place where there are the psychiatric services?

HON. M. SMITH: We haven't had a resident psychiatrist at MDC. We have delivered psychiatric treatment there in consultation with psychiatry.

MR. A. KOVNATS: I wasn't sure whether the Minister had completed her statement or not.

MR. CHAIRMAN: Neither was I.

HON. M. SMITH: I had nothing more to say so I shut up.

MR. A. KOVNATS: To the Honourable Minister, the advantage of wearing a hearing piece right here, I could hear some discussion and I thought there was some more information being imparted to the Minister and it never came through. I couldn't quite make out what her assistant was mentioning to her.

I can see the coming down of this whole system at Portage la Prairie somewhere in the future. I think the natural outcome out of it is that the home will be reduced to almost nothing, and something that had been such a great asset to the community somewhere in the future will be just a bunch of empty buildings there and not being able to provide the services that they were intended to be provided. It's kind of a sad state. I've changed my attitude toward the Minister now and if I had said something that was a little bit

out of line, I apologize because I know it's the Minister's intention to deal from the heart and I hope that she won't be guided just by dollars and cents.

Thank you very much.

MR. CHAIRMAN: The Member for Portage.

MR. E. CONNERY: If I can echo the sentiments that the Member for Niakwa put through, I think you can be assured that if you go to the Minister you'll always get an audience, but that is all you get. Anybody that goes to the Minister gets an audience and anything that is said is never registered and is never part of the package or the plan. The die is cast and nothing is going to change no matter what facts or figures. They don't want to be baffled by facts. They're just going to carry on in the way they're going.

I'd like the Minister to tell me what services are provided at the Manitoba Developmental Centre by the staff? What various services?

HON. M. SMITH: Well, the 24 hour service supervision with cleanliness and feeding and clothing; medical services; some therapies; some speech hearing therapies; some vocational; some educational. The programs have never been at the stage where I'd feel that everyone was getting the most that they could, but that's the range, some recreational activity.

MR. E. CONNERY: What kind of therapies are they getting and what number of therapists are at the school?

HON. M. SMITH: Yes, again, I've given the main types of service. We can get a breakdown of the staffing in a few minutes, but I don't have it available in front of me at the moment.

MR. E. CONNERY: You talked about hairdressing being available, there's physiotherapy. Is this a water treatment type therapy or what type of physiotherapy do they get at the school? Would this be included with hot water pools and that sort of thing?

HON. M. SMITH: I'll have that information for you in a few minutes. I don't have it just at the moment.

MR. E. CONNERY: Well, while she's getting that then, I'll go to another area. I missed the very beginning. The numbers of staff we have. Did they break out the administrative staff; how many there are in administration as compared to the floor staff?

HON. M. SMITH: I could provide that information this evening. I don't have it to hand just at the moment.

MR. E. CONNERY: I'm talking about administrative staff.

It's difficult to carry on a line of questioning when we're going to get the information, how do we go, jump around to 14 different items and come back to them all tonight?

Why are so many of the administrative staff living in Winnipeg and not living in Portage where they could be part of the community and feel a better feeling toward the Manitoba Developmental Centre?

HON. M. SMITH: I appreciate the problem that the member referred to first. How do we handle this item if the information doesn't come till later? We'll certainly be accommodating here in terms of what items we deal with now and would be willing to return to any item that wasn't dealt with fully later tonight.

With regard to the staff and where they live, there is a recruiting practice that looks for the best qualified person for the job, and it's been the policy that where staff choose to live is their own personal business. If they choose to commute and take that time and expense on their own shoulders, then they're entitled to that. They aren't 24-hour live-in staff. They're expected to work their hours and, certainly, if they were at the very senior level, to be on call, or someone equivalent would have to be on call; but, basically, where staff live is their own business.

MR. E. CONNERY: The Minister is aware of three or four years ago, when I don't know if they called it West Cold Storage at that time, but there was a large explosion and a huge fire and people had to be evacuated. Is there not a concern that senior administrative people won't be available on short notice, and Winnipeg is — you can't get there in less than an hour no matter where you live. Is there not a concern that there could be some real hazards occur because these administrative people aren't there?

I gather there's a significant number of the top administrative people who do live in Winnipeg. Does the Minister know?

HON. M. SMITH: Again, I think the responsibility of senior staff is to ensure that there is a senior person responsible and available on call, but that can be accommodated through quite a variety of living arrangements.

I think so long as senior staff are available, that is the limit of their responsibility.

MR. E. CONNERY: Does the Minister know how many of the administrative staff live in Winnipeg, or outside of Portage, to some degree?

MR. CHAIRMAN: Perhaps I could suggest to the member that I think this line of questioning is somewhat external to the competence of the Minister to determine the personal place of residence of staff members in a department.

I think that it's not in line with the budget, and I would suggest if it's not out of order it would be optional because it's certainly very close to being outside the competence of the Minister.

MR. E. CONNERY: When you're dealing with the safety of a facility, I think it has to be the competence of the Minister to know who is going to be the backup staff in the case of an emergency.

MR. CHAIRMAN: I think that's an appropriate question.

MR. E. CONNERY: That's right.

MR. CHAIRMAN: Your question was dealing with where does the staff reside?

MR. E. CONNERY: Because it was leading up to how could there be somebody senior in position to make some very, very needy decisions right now.

MR. CHAIRMAN: If that's the question, it's appropriate. The Minister of Community Services.

HON. M. SMITH: I think I answered that. I said the responsibility of the administration is to ensure that there are senior people available 24 hours a day. It needn't be the same senior person, but that there is someone with the authority. Where they live, I think, is a secondary factor and not within the right, really, of a government department to dictate.

MR. E. CONNERY: The Minister just finished saying a few minutes ago that they were not 24-hour type staff, they are administrators who come at nine and go at five, or whatever their times are; so I would say that there's a high number of the senior administrative staff that are not available for 16 hours or 17 hours of the day.

HON. M. SMITH: In any shift-staffed institution, there are probably fewer people in the night shift than in the afternoon or the day shift. That doesn't mean that there isn't a senior responsible person on and appropriate delegated authority to the needs of what's going on at those hours.

MR. E. CONNERY: I am gathering then that the Minister refuses to tell us who of the senior administrators do not live in Portage. Is that correct?

MR. CHAIRMAN: I suggested to the member that the residence of the staff members is not an appropriate question, is not in order.

The question of whether or not adequate services are being provided 24 hours a day and administrative people are available is in order. To ask the residences of members of the ministerial staff is not in order and I will not entertain that question.

If the member has another question, please state it.

MR. E. CONNERY: How are we to judge the competency of the people who are there if we don't know who's there? I think that is a legitimate question and I think it should be answered.

MR. CHAIRMAN: If the question . . .

MR. E. CONNERY: We're talking of the lives of some 700 . . .

MR. CHAIRMAN: Order please, order please.

If the member wishes to know what staff are there at what times, I think that question is legitimate; and if that is the question being asked, rather than where individuals live, I think that is an appropriate question and in order. I am suggesting to ask where individuals live is not in order; the question then is what staff are available, senior administrative staff, and when.

The Minister of Community Services.

HON. M. SMITH: I can undertake to get that information for you.

MR. E. CONNERY: When would we have that information?

HON. M. SMITH: We said we could get it this afternoon; but if we're breaking at 4:30, I think it's probably more reasonable to make it available tonight.

MR. E. CONNERY: There's a feeling of the workers and the staff of the morale at the Manitoba Developmental Centre from the people that I have talked to, including shop stewards from the union and so forth, that there is a very low degree of morale at this time.

There are many areas why they believe there's a low morale. One of them is — and I can't believe that this can happen — the number of people who are on term employment.

I'd like the Minister to tell us how many people at the MDC are on term employment and what is the length of their term.

HON. M. SMITH: I'll undertake to get that information for you. Large institutions in the government area are usually staffed with a combination of permanent staff and term, and the term is usually based on what the variable needs are. I know, for example, at Headingley, we have a combination of full time and term, but I'll obtain that information for the member.

MR. E. CONNERY: I am told that there are people who have been working at the MDC for as long as two years — and maybe there's some longer — and they've been working on two-week terms. They're only renewed every two weeks. Is this true?

HON. M. SMITH: Because I have part of the information now, but not all, I think it would be better if I just wait and bring it together as a unit.

MR. E. CONNERY: Then we'll go into, I guess it's going to be in two places, with the Salaries and the Other Expenses, the conditions at the centre have deteriorated with, what I'm told, is severe overcrowding. The staff and residents, because they're overcrowded, are in much closer confines, there's a lot more edginess and inter-relationship because of the closeness, and especially with some of the more aggressive ones, that the staff are having a much more difficult time and the morale is low because of that.

HON. M. SMITH: We have currently 710 inmates at MDC, in the same space that used to accommodate almost 1,100. The staffing patterns have been gradually improving, rather than going down.

I think some of the understandable morale issues can relate to people who have worked in an institution and seen that as the dominant mode of service delivery, and who, without direct experience in an alternative way of caring for the retarded, naturally feel a loyalty to their institution. Many people working in an institutional setting think that downsizing is somehow failure, and maybe that's a part of our society's tendency, to look at bigness and growth always as better and smallness or phasing down is always failure. As I say, I think that's understandable.

I can also see it from the point of view of the town because they may see a reduction in what was a very

important service industry for that town. All those things are understandable. But I think the policy issue before us, as Manitobans, and certainly us as government, is what is the best type of care, with today's knowledge and insight and expectations, for mentally-handicapped people. I think that's the issue we have to keep to the fore and then, if necessary, make the appropriate adjustments in the institutional part of the total service continuum. Institutional care, as far as I can see, will continue to be required.

I certainly haven't made a jump in my own thinking that it should be eliminated completely. I do know that in some jurisdictions, as I was saying the other day, in New Brunswick, the Minister just closed down an institution that was larger than this one, virtually within a year. It was in her riding and she just closed it down. Now, I don't know what services exist in the community there.

This is a trend that has been going on in Ontario for quite some time. I'm not an expert on what's going on throughout the rest of the world, but I think you'll find that one of the reasons for it, as I stated last week, was the very learning that had gone in the institution about how to train and work with the mentally retarded. They now are seen to have more capacity for learning and enjoyment of life, and satisfaction, than was previously thought to be the case.

MR. CHAIRMAN: The time being 4:30, I'm going to interrupt proceedings for Private Members' Hour. The committee will return at 8:00 p.m.

SUPPLY - AGRICULTURE

MR. CHAIRMAN, C. Santos: Committee please come to order. This section of the Committee of Supply has been considering the Estimates of the Department of Agriculture. We are currently on Item No. 5.(g)(1), Manitoba Water Services Board, Salaries.

The Minister of Agriculture.

HON. B. URUSKI: Mr. Chairman, before we begin responding to some questions that were raised on the Water Services Board, I have a reply to a question that the Member for Portage, although he's not here, raised about Plains Potatoes at Portage la Prairie applying for a federal grant under the Fruit and Vegetable Storage Construction Assistance Program.

I'm advised that their application was rejected due to concerns of the engineers in Agriculture Canada over the method in which pressure-treated lumber was installed in the repaired roof. The opinion of the engineering specialist in our department is that the design of the roof renovation, although innovative, is a realistic design which attempts to deal with the problems of wood decay, of providing an economical structure with a reasonable lifespan.

Because of the manner in which the treated lumber was installed, precautions were taken which were considered adequate to prevent any possible contamination of the potatoes. At present, Agriculture Canada has agreed to hold over the necessary funds pending a review of the situation. Our own engineers prepared and forwarded an extensive report to justify

the renovation design. The engineers, with Ag Canada, are reviewing the report and we are presently waiting for a reply from them.

I am assuming that honourable members will pass that information on to the Member for Portage and then he can be advised of that.

As well, Mr. Chairman, going back to the Manitoba Water Services Board, the Member for Springfield raised a question dealing with the matter of Landmark the other day in the House, and previously, about sewer and water. I gather he's not here, but I want to provide some information for the record so that honourable members can share it with him about commitments made to the R.M. of Tache for the Landmark project.

I want to indicate that the construction of the Landmark project will be completed this year unless, of course, it is delayed by the R.M. of Tache. There's only one contract for service connections to be awarded for the Landmark project. The services connections have been tendered by the Manitoba Water Services Board and the board is prepared to award the tender to the low bidder. I understand that the R.M. of Tache has requested the Manitoba Water Services Board to award the tender to the second-low bid rather than the low bid.

Mr. Chairman, I ask you, I hope that the honourable member not suggest that I be so lax as Minister that I allow the staff to ignore the public tender process and award tenders to other than the low bid indiscriminately. Granted, we can and have, upon occasion, awarded tenders to other than the low bid, but there is a procedure to follow to ensure the best interests of the taxpayers are met and that procedure is now under way.

In summary, any further delay on Tache will be the results of only any position taken by the R.M. council.

MR. CHAIRMAN: The Member for Ste. Rose.

MR. G. CUMMINGS: Under the cash flow proposals, how is anyone to follow the route that the Jobs Fund monies will be taking in going into the water services area? A year ago, it would appear that it was designated in which areas those funds were going. Will those projects be identified on site, then, or is that money being put into a general cash flow in this area, or how are those funds being handled?

HON. B. URUSKI: Mr. Chairman, the projects that are listed on the Jobs Fund are, in fact, projects that are being finalized through the Jobs Fund. Additional funds for this year were not put as an addition into water services projects. If there is a need for an additional budget for the Water Services Board, we would have to go back to our own approval mechanism and ask for, in terms of monies, in our regular program.

The Jobs Fund monies that are shown there in terms of budget are in fact works that have already been undertaken and these are the finishing touches of those.

MR. G. CUMMINGS: Mr. Chairman, I'm not sure I can follow the Minister's reply. Is he saying in the 1986 budget, as has been given to us, and I appreciate the information that's been given, is he saying that there's no Jobs Fund money included at this point? I'm not

talking about projects. As he explained, the projects that have been started with the Jobs Funds are delineated separately.

I guess I'm referring to the statement on the bottom of the last page where it says funds required for Jobs Fund projects are shown under regular program cash flow.

I can accept that statement, but how is there an accounting of that? Is it being delineated into certain projects or is it part of the total?

HON. B. URUSKI: Mr. Chairman, in terms of any monies that we might receive from the Jobs Fund, they would be specifically related to certain projects like, for example, the Neepawa project would be a Jobs Fund request over and above any regular budget, as an example.

MR. G. CUMMINGS: Perhaps the Minister may not wish to become involved in my next question, given as it's a procedure that I'm concerned about. It was pointed out in Public Accounts, I believe by Mr. Jackson, that there was a lack of legislative control on how the Jobs Fund monies were allocated. Who, in fact, will make the decision on Jobs Fund monies going into Water Services?

HON. B. URUSKI: Mr. Chairman, in terms of actual determination, there is an application that would be made by Manitoba Water Services, through my department, to Treasury Board, and they would review whether or not those projects qualify under the Jobs Fund or, in fact, whether or not they should be funded through our regular budget.

Most of those projects, initially, that are shown on the final page, Jobs Fund, were a process that went through Treasury Board, our own board, to try and delineate and indicate which projects might have some Jobs Fund application in terms of community betterment and the like, although one could, of course, put the argument that it might be difficult at some time to make a clear delineation. What we did attempt to do is not to mix projects. I don't think we've mixed. We tried to delineate the Jobs Fund projects from the regular budget so that there would not be, in fact, a mix of money per se.

MR. G. CUMMINGS: I guess this would be an appropriate place, then, for me to perhaps put my thoughts on record as much as asking the Minister a question at this point. It seems to me that, following that system, the Jobs Fund dollars necessarily become a supplement to the budget of Water Services or any other department where the funds are delineated, not to prolong it. But would it not be more practical for the departments to have applied for sufficient funds to cover their projects, rather than have to involve the Jobs Fund project? — (Interjection) — I'll leave it there. There's an obvious difference of procedure between our two philosophies.

MR. CHAIRMAN: 5.(g)(1)—pass; 5.(g)(2)(Other Expenditures)—pass.

5.(h)(1) Agricultural Crown Lands Branch: Salaries — the Minister of Agriculture.

HON. B. URUSKI: Mr. Chairman, if there are any specific questions that honourable members may wish to put, in the meantime, our Director of Crown Lands who I think members would know, previously the regional director for the southwest region out of Brandon, John Neabel will be joining us, and he is the Director of Crown Lands, if members would like to begin, following on information that they received earlier.

Members can in fact start raising those questions. John is joining us now and we can proceed with a review of the Crown Lands Branch.

MR. CHAIRMAN: The Member for Virden.

MR. G. FINDLAY: Mr. Chairman, I don't recall receiving any advance information the Minister mentioned.

If he has that advance information, if he'd distribute it now, I guess I'd like some ideas of the number of staff breakdown, and start in that way.

HON. B. URUSKI: Sorry, Mr. Chairman, I should have in fact done that. Crown Lands Branch, staff years, total 44.36; Branch Administration, 15; Advisory Committee, 1 staff to the advisory committee; Field Service Supervision, 3.15; Eastern District, 7.21; Western District, 14; Agri Land Planning Management, 4, for a total of 44.36, as the staff complement for the Crown Lands staff.

MR. G. FINDLAY: What is the present system for granting leases and administering those leases?

HON. B. URUSKI: Mr. Chairman, there are a number of leases which the branch administers and, of course, I can probably provide the honourable member with some statistical information.

I think members should know that the total Manitoba land base is set at 135.5 million acres. That's the entire land base, of which 114 million acres is Crown land and 21.2 million acres privately held; and the breakdown of the utilization by resource use: provincial parks take up 3.53 million acres; wildlife management areas, 7.3 million acres; provincial forests, 3.95 million acres; agricultural Crown lands, 1.9 million acres.

The various types of lease — and before I go into it I'll give the honourable member the breakdown — in 1985, there were 2,641 leases under forage lease, accommodating 1.5 million acres; 238 leases, these would be cash rental agricultural lease — and I'll go into the description of each lease after I give you the numbers — giving a total of 60,118 acres; renewable hay permits, 1,211 leases or permits, 159,193 acres; casual hay permits, 452, 59,695 acres; casual grazing permits, 210, 22,231 acres.

A forage lease, with a term of from 1 to 47 years consists of one or more parcels of land which are used for grazing or hay production. The lessee is eligible for benefits under the Crown Land Improvement Program.

A cash rental agricultural lease with a term of five years, renewable for further terms of five years, is used for annual cropping. The lessee is eligible for benefits under the Crown Land Improvement Program.

A renewable hay permit with a term of one year and renewable for further one-year terms is used for hay harvesting. The permittee is not eligible for benefits under the Crown Land Improvement Program.

A casual hay permit, with a term of one year, is not renewable. It is used for hay harvest on lands when insufficient time is available to advertise lands for longer term disposition, or the land is not available for a longer term of time.

A grazing permit is for a term of one year, renewable for further one year terms. This is used in place of a forage lease in areas where the lands are unsurveyed and no correct legal description is available.

Generally speaking, the member I think would be interested as to how a person applies the long-term leases which are commonly known as lifetime leases, are of course tied to the Forage Lease Program.

When those lands are advertised — and they're advertised usually in the Co-Operator, in general terms, — and in local papers; and also to parties who may have expressed previous interest in those lands and they would go back for a number of years because the system now is computerized. Those people would be notified that these lands would be coming up for long-term lease and all applicants apply.

The applications come to head office and are scored, based on the application information in the application forms. Once the scoring takes place, on a point system — there is a point system dealing with proximity, age of operator, type of operation, a whole host of detailed questions that are asked in the application form. Once that scoring takes place, from an administrative point of view, staff allocate or make the original allocation, advise the successful applicant, and of course indicate that this application may be appealed to the Crown Lands Advisory Committee.

The unsuccessful parties have 21 days to appeal the decision and they are to state the reasons of why they are appealing. In the cases of appeals, the advisory committee attempts to hold the appeal hearings, generally, if there are a few appeals in the regions of where the appeals have taken place. Not always is that possible, if there are appeals from various regions, they would be held in Winnipeg; but they've held meetings in Dauphin, I believe, and generally Dauphin and Winnipeg are the two areas, and Brandon as well in terms of appeal hearings.

They hear additional evidence that might be presented at these meetings and subsequently make their decision to see and consider other factors that might be presented, in terms of maybe the information wasn't complete, maybe new information that wasn't entered on the application forms, they consider all these factors and then they make their decision.

I would say, for example, there's been cases where there may have been five or six applicants for two or three parcels of land, to the committee, and they're allocated maybe to one person.

The committee may consider the information from two or three others who appealed the case and may, in fact, at times split the allocation to try and get some, what I would call some saw-off and some method of compromise into the process. In some cases, where it is very clear that the original allocation and no new information was presented, the original allocation is adhered with and it stays.

There are some cases, to a lesser degree, whereby new information is presented which, in fact, would alter the original allocation to some degree and, basically, a turnover occurs. But that's basically the process that is undertaken.

Once that decision is made, it is then confirmed, generally by myself as Minister. A letter is sent by staff confirming the decision of the Advisory Council and a lease is signed.

MR. G. FINDLAY: If a person is interested in a piece of land, can he get himself on a waiting list, and does he have any preferential treatment because he's on a waiting list when the allocation is done and the assessment is done for the allocation?

HON. B. URUSKI: Mr. Chairman, there is no preference if you have been on the waiting list, if you happen to have been on a waiting list; the waiting list guarantees you, as best as one can. Sometimes there is the odd time when we do fail in terms of making sure that all the persons who might have expressed an interest get an application form. Those are few and far between, but we do, at times, miss the odd person in the process. However, that does guarantee them an application form so that they are automatically considered, regardless of whether they see the notice or not. The preference, of course, occurs, if one could call it that, in terms of the rating they receive on the point system. That is the only system that is in place.

MR. G. FINDLAY: How many appeals have been heard in the last two or three years?

HON. B. URUSKI: In the 1985-86 year, there were 501 parcels which were advertised and 227 parcels with multiple applications, in other words, more than one application. The number of parcels involved in appeals, 68; the number of parcels with upheld allocations, 39; number of parcels with changed allocations, 29.

MR. G. FINDLAY: This applies strictly to leases? It has nothing to do with selling Crown land, does it?

HON. B. URUSKI: Mr. Chairman, no. This process is strictly with leases. The actual sale of Crown land, Mr. Chairman, is handled by the Department of Natural Resources. An appeal process does come to the Provincial Land Use Committee of Cabinet, if, in fact, it's been rejected on the basis of a number of criteria that are in place for rejection, like subject to flooding, like a natural resource, maybe close to a recreational area, or a beach area maybe bounding the property, if it's lakefront property, if there's gravel or sand.

There are a number of criteria which are used in the sale policy, which when an application is made, that determination is made initially by staff and the applicant is advised whether or not they can purchase the land or, at least, request a purchase and if it's been denied, an appeal process can, in fact, ensue. The applicant writes an appeal to the staff. It is brought up to the Provincial Land Use Committee of Cabinet and staff review the policy in place and make their recommendations to Cabinet, the Provincial Land Use Committee of Cabinet. Then, of course, the decision is made as to whether or not to allow the appeal or, in fact, to reject it.

MR. G. FINDLAY: For the appeals that are upheld or granted, are most of the appeals to do with lack of

allocation or are they to do with the amount of money charged for the lease? When some granting, or whatever has been appealed and has been overturned, does the newly-affected person have an option to appeal?

HON. B. URUSKI: Mr. Chairman, the appeal, really, is just to the allocation, as to the allocation of the Crown land. All parties are notified and usually all parties would appear before the committee, in terms of stating their case, why they should have the land in all instances and any additional factors which they may have not put in.

What you find — and I talked to the Advisory Committee and staff on a number of occasions — is usually those people who are appealing and who are all neighbours, if there's something that may not have been on the application form, people will generally say this person has this kind of land, that kind of land, that's at their disposal, and it may not be in the application form. The committee will look at that, relate it to staff to see whether it has before they make their determination. That's generally the kind of information that comes out of a verification process of what's on the application or any new information that may not be available, or it may not have been made available in the original application form.

MR. G. FINDLAY: Can I perceive from your comments then, if Farmer "A" was granted the lease and Farmer "B" then didn't receive the lease on the same piece of land, that he would have access to Farmer "A's" application so he could make those determinations that you just talked about?

HON. B. URUSKI: No, he would not, but generally speaking, one would look at his operation and you'd find that very quickly, because I know I received the phone calls the odd time from constituents who are appealing one another and they say, "How did this guy get this land when he's got land here, land here, land here?" And they tend to know very precisely what the other applicant has, whether they've seen his application or not. No, the application forms are not available. The reply generally is, you know something that isn't on the application, or he may not put it, you'd better make sure that you put that to the committee so that they can review whether what's on the application form is, in fact, the land that you say he has. If the two don't match, then, of course, the committee would have to consider that information.

MR. G. FINDLAY: Could the Minister give us some idea as to how the lease charges are calculated?

HON. B. URUSKI: Mr. Chairman, the calculation of rentals was changed; this is the second year. Two years ago, following upon an extensive review with some representatives of our Crown Lands Advisory Committee, as well as representatives from Grassland Society and farmer organizations, we had a committee of something like 18 people from around all areas of the province reviewing what changes we should make.

I guess I should advise my honourable friend, just for his information, the previous rental formula basically combined municipal tax rates to the lease rate, so that

the higher the municipal tax rate in an area, the lower the lease rate. In fact, in many areas of the province, farmers were not being charged any rental rate at all because the municipal tax rate offset any rental rate. Basically, the land was leased out at no fee to the Crown, just for the municipal taxes. It was not a very equitable system, and as municipal services and costs rose, the revenue to the province dropped off. The Review Committee recommended to government that the Crown lands rental rate should recover 75 percent of the costs of administration; the new formula, that 25 percent of the cost of administering Crown lands should, in fact, be borne by society in general from the benefits of the use of that Crown land, whether it be during a hunting period, or other times of the year, in terms of public access, so that the province, basically out of its formula — and we accepted that recommendation, set up the formula — and we basically leased the system on this basis.

Rental fee, of course, is based on the number of animal unit months times the the feed per animal unit month required to recover 75 percent of the cost of administration. The 1985 rental rate was \$1.29 per animal unit; the 1986 rate will be \$1.26 per animal unit — slightly less primarily because of other lands that are being put into place.

Of course, the tax bill is now separated from the rental. The lessee is responsible to pay the municipal tax bill, whatever it is in their areas.

As a comparison, for example, the rental rates to the west of us are running at \$3.30 in Saskatchewan and a range in southern Alberta of \$4.30 to \$2.17 per animal unit month for comparable carrying capacity in our neighbouring provinces.

MR. G. FINDLAY: Just on that area, how does that compare with the PFRA pastures in the same areas?

HON. B. URUSKI: Mr. Chairman, we have no information at present in terms of a comparable comparison of the two rates. One, of course, would have to exclude the management services that are supplied by PFRA. I know we did some calculations back a couple of years ago that even when you exclude those management services, the rates that we charge in the province are still a fair bit below the Crown land rate. As a result that's why you see so much competition, in fact, people wanting to get the Crown land.

There is an awful lot of competition. I know in my own area of the province in the Interlake region, there's a fair bit of Crown land and in the northwestern part of the province. There is fairly extensive competition for whatever Crown lands might be available.

The PFRA rates presently are 24 cents per day plus 2 cents municipal tax levy which is equal to 26 cents per day per cow. Calf is \$9 per head per season. Bulls are the same as cows — 26 cents per day. Those are the present rental rates per season. The minimum charge per head per season is \$26 for cattle; \$31 for horses, in terms of the rental rate. That's the minimum charge for season.

Of course there are other services provided. They are on a cost basis like vaccination, dehorning, branding, castration, those kinds of — (Interjection) — staff just did a rough calculation, Mr. Chairman. Our

costs on an average for Crown lands would run about \$6.30 an animal per season as compared to the \$26 figure in PFRA.

MR. G. FINDLAY: In the Crown lands you're leasing, the farmer's responsible for the fencing as opposed to PFRA, they're not responsible for the fencing. Is that considered in that calculation you just gave us or is the fencing cost on top of that?

HON. B. URUSKI: Mr. Chairman, in my comparison these would be only grazing costs; the PFRA costs would include the fencing. Our costs of actual fencing, even if they've doubled that rate, it would still be pretty well half of what the PFRA costs would be.

MR. G. FINDLAY: I guess the obvious question then is, if a person has a piece of land for a period of time and he's fenced it, is there any compensation to him when the lease goes to another person?

HON. B. URUSKI: Mr. Chairman, yes, within the formula there is a, what we would call a depreciation allowance, allowed for if someone gives up their lease based on the approved improvements that were made there.

MR. G. FINDLAY: Just to clarify for a question that was asked of me, you partly answered, I think, in your previous comments but I just want to get your direct comments on it. A farmer says to me "I have land leased. It only holds 4 or 5 head. Somewhere else they have land that holds 50 head. When it used to be based on productivity instead of administration costs, I felt it was fair. Now I feel that I'm paying a very high rate for administration costs compared to the guy who has a higher holding rate per quarter." What's your comments?

HON. B. URUSKI: Mr. Chairman, quite clearly, our new rental policy is based on productivity. Each parcel is rated for its carrying capacity. That's the animal unit months. So the rental is based on the number of animal unit months that that quarter section is rated. Each quarter section, each parcel of land would have its own rating. Those rated for 50 head would have a carrying capacity likely of 250 animal units months, in a rough calculation, 5 months of grazing. So they would pay a rate of \$1.26 times the 500.

If in fact this other parcel was carrying 5 head times 5 months of grazing, it would be 25 animal unit months times \$1.26. That would be your clear differentiation in lease amounts that each individual farmer — of course they would be eligible for their municipal taxes as part of the assessment that each would pay on the basis of the land that they held on their lease.

MR. G. FINDLAY: One of the final questions I'd like to ask before I let another member speak. Who does the rating to determine the number of animals per unit and have the charges changed immensively or very much when you went from the old system of productivity-based now to the more administration-based formula?

HON. B. URUSKI: Mr. Chairman, the rating system was in place under the old system as it is under the new

system. What changed was the way we charge for the rating. Of course those who paid no leases under the old system now are paying something. There were people who were paying substantially more — kind of a leveling-off process that did occur — but the system is much more, I would say, equitable, in terms of the application of lease fee uniformly based on the carrying capacity.

Staff do the appraisals on the carrying capacity, our field staff. They do have an ongoing program of re-evaluation. They would, of course, re-evaluate on request as well if they can get to it in the year. They've got their programs generally lined up for the summer in terms of re-evaluations on an ongoing basis.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Chairman.

I just want to follow through on some of the policy directions under Crown Lands. If a person has a Crown land lease and he wants to develop that, is there a program in place, for example, if the individual wants to break up this land; make it arable? Does the department have programs in place that they can make application to and qualify for?

HON. B. URUSKI: Mr. Chairman, there is a program. The policy basically is to encourage lessees to develop and improve suitable land. Financing is provided to lessees for each phase of land development: an amount of \$75 per acre for knock down and piling; \$22 an acre for breaking; \$20 an acre for seed bed preparation.

Lessees are allowed two years before rentals are increased to reflect improved productivity. Crown retains the ownership of the improvements and recovers through increased rentals — that is, if we put up the money — development done according to Crown land-use designation.

Financing is provided in two forms as I indicated. One is a cash payment to lessee upon completion of each phase of land development — that is, clearing, breaking and seed bed preparation; or Phase II, land development, lessee financed, in exchange for rental credits. The allocation preference is, of course, given to first-time developers.

Given the global budget that we have, if this is the first time that you've applied for clearing of land you've not cleared before, your application will take precedence over someone who may have already benefited under the Crown Land Improvement Program in previous years. If there is enough budget, we take all comers but there is a preference for first-time users of the program.

MR. A. DRIEDGER: I wonder if the Minister could maybe explain how this works. For example, if somebody who has Crown lands, makes the application, has improvement made on it, if he has taken his own money, do the improvements, if he uses his own money and not the government program in terms of that, can he get that money back when he loses the lease, or how does that work?

The other question I want to raise with the Minister is, for example, if an individual leases Crown lands, then takes and approves it with his own money, then

turns around and wants to buy it, and now all of a sudden the value has changed possession. I have a case like that and I want to make reference to it. It's Dennis Kupiak from Hadashville. The Minister has corresponded with him. But he claims that is what has happened where he leased Crown lands, then turned around and made the improvements, then applied by it, then the assessment comes in so high, and now we have a problem with that. I just want to see maybe some clarification from the Minister on that. I have a few more questions on that line.

HON. B. URUSKI: Mr. Chairman, if I'm understanding the member correctly, and our staff are aware of the situation, my understanding is that regardless of what would have been done to the land in terms of opening, there would have been an appraisal made.

Maybe he should clarify this. Is the honourable member indicating that there was initially one appraisal and the purchase was not dealt with and then there was another appraisal after he cleared the land? Can the member clarify that?

MR. A. DRIEDGER: Yes, Mr. Chairman, I'll try and clarify that.

If a person leases land, it's unapproved land and he either fences it and breaks land in there. Then, let's say 5 or 10 years later, after he's had the lease, he makes application to buy it; then the appraisal comes in based on today's prices. Does he then get credit for the work that he's done on it? I'm trying to clarify how this system works. Now you have property that is worth a lot more money, he wants to buy it and he ends up paying the inflated price after he's done the improvements on it.

HON. B. URUSKI: Mr. Chairman, I understand first of all that the appraisals are done on raw land values, they are not done on improvement; but given the circumstances the honourable member points out that it's 5 or 10 years later after he's done the improvements, of course, if in fact the person made the improvements under our program at his own expense — making the assumption that the amount of capital investment in the clearing done and the improvement of the land far exceeded the annual rental rate — he would receive the reduction in his annual rental rate until the amount of grant that he would be eligible for under our program, which is \$16 an acre for prairie breaking, \$75 an acre for knock down and piling, \$22 an acre for breaking and \$22 for seed bed preparation. Those are the amounts that he would be eligible for.

If he's expended, and I'm sure that his rental rate would be far less, he would be receiving those benefits over the number of years until the amount of money he would be eligible for would have expired. That's how he recoups his investment in the Crown land under our program by reducing.

I'm advised by staff that the actual appraisal, which is done by Natural Resources, is on Crown land in its raw state.

MR. A. DRIEDGER: The question I have, then, to the Minister, in the event where an individual who has made improvements makes application to purchase that land

and the Department of Natural Resources does an appraisal on it — I'll be more specific; in this case it was \$75 an acre — and when the individual offers \$50 an acre for this land, if they don't agree, that sort of terminates it. Is there an appeal system where the individual then can take it to the Crown Lands Appeal Board? Would they deal with the differences of opinion on that?

The Crown Lands Appeal Board, I believe deals with lessees. But where can an individual that's made an application for a purchase and doesn't agree with the price, where can he go?

HON. B. URUSKI: Mr. Chairman, I suggest to the honourable member for Emerson, those appeals and those discussions really should take place with the Minister of Natural Resources because the whole process of the actual sale and evaluation appraisals of Crown land are handled by that department. We have no administrative function in that process other than sitting on the committee in terms of deciding on land use in the whole Crown lands allocation system.

MR. A. DRIEDGER: I don't know whether the Minister covered that; I just have a question in regard to leased Crown lands. In the case where an individual has leased Crown lands and private lands adjacent to it, if he sells, let's say a unit type of that nature, can the lease be transferred to the individual buying the lands that are adjacent to it or does it then go on the open block, the leased lands for application to the general public?

HON. B. URUSKI: Mr. Chairman, that certainly can occur. There are conditions, of course, tied to that. An application, of course, to transfer as a unit if in fact the entire farm unit is sold, both the deeded land and the Crown land at one time, and then application would have to be made to Crown Lands prior to the sale taking place as one of the conditions.

We've had an instance, for example, going back a number of years where an application was entertained. However, when the deeded or private holdings were appraised, their appraisal value fell far short of what the initial selling price was. It was deemed that the difference would have been attributed to the value on Crown land and the application was not accepted; and in fact there were several appraisals done just to confirm that differential, but in many instances it is allowed. I'm advised that there were 11 unit transfers completed in 1985, with 31 parcels of land and 61 family transfers completed in 1985, with a total of 262 parcels of land; so we have been allowing unit transfers basically all along.

There have been times on the odd occasion when someone makes their private sale and then they come forward and they say, well, I've got this one-quarter section of Crown land, can I transfer it? At that time the policy clearly indicates that is not a unit transfer and those lands would be advertised. The purchaser, of course, would have the right of applying for the leased land, but there are fairly clear guidelines in terms of how those applications are handled and entertained.

MR. L. DERKACH: Thank you, Mr. Chairman. My question to the Minister is with respect to the policies regarding the allocation of Crown lands to individuals.

It appears that there are some discrepancies when we get to the criteria for land allocation. In a particular case where a farmer perhaps has had Crown land leased to him for a year, is he given first preference to lease that land in the subsequent year, or when that land comes up, is it then open to anyone?

HON. B. URUSKI: Mr. Chairman, if the lease was an occasional permit — it was for a one-year period — then there is no preference for future years. If it comes up for a long-term lease, then everyone will be scored, as everyone else's application would be scored who would apply for that parcel of land, and an allocation would be made strictly on the basis of information supplied in the application form under the point system that has been in place for maybe 15 years.

MR. L. DERKACH: It appears that in one particular case I know of, a farmer who was given the occasional permit for that land for one year and had, in addition to that parcel of land, some five-quarter sections of his own, applied for the lease the subsequent year. At the same time, there was an applicant who had just sold off his landholdings for a considerable sum of money, had moved into this particular area and applied for Crown lands. The end result was that the farmer who had the land in the previous year did not get the land, rather it was given to the fellow who had sold off his land and had applied for the land for the first time. Now, what is the basic policy? Is it to do with the amount of land one farmer has, or does it have to do with his assets as a whole?

HON. B. URUSKI: Mr. Chairman, I believe I know the situation of which the member speaks, I think generally. One thing clearly that the department would not know and would not ask the question of one's financial position and would not know nor ask what other holdings one may have held at some time in the past. This is a situation where a farmer, I believe, farmed at one time in one area of the province, sold his assets or whatever he had as an operation there, whatever there was, and moved to another area of the province and then basically applied for — whether he purchased some private land or whatever — for Crown land. The application would be judged on the basis of the need of that individual under the scoring system, as I've indicated earlier, that's been in place for 10, 15 years. It's probably been in place about that long. That scoring system is there.

I can understand quite clearly some of the frustrations that do come up when there is a great demand for a resource of which there are usually five or six applicants and only one of whom will be successful. One looks over the fence, so to speak, and says, well, I've been here for 20 years and there's Joe who's come into the community in the last two years, and he basically scored higher than I and got the land; and here I am, I've been kind of waiting all this time, maybe hoping that this land would come up and I've lost it because his need is greater. There's no doubt, there are probably five people unhappy with one happy person when it comes to Crown lands.

MR. L. DERKACH: Well, to the Minister, is there any criteria with respect to who makes the judgment in

terms of the allocation of land? Is it the field officer who makes the recommendation and the judgment, or is it in fact a board that is set up to make that kind of a judgment?

HON. B. URUSKI: Mr. Chairman, we've been through this one quite extensively. The field staff person has no say in the allocation of Crown land, none whatsoever. The allocation is based on the scoring of the application that comes into head office and is done by staff in head office. I know I get those complaints as well. There are accusations and allegations made as per favouritism, or whatever the allegation might be, in terms of individuals. Depending on how many people apply and depending on the pressure on anyone's operation, you will get those kinds of allegations coming forward. But the field staff, I am advised in terms of the process, is that they do not score or have any influence on the scoring on the point system in the allocation. It is done at head office solely.

MR. L. DERKACH: Mr. Chairman, is the Minister saying that field staff never recommend who should be eligible or who should perhaps be looked at favourably in these land transfers or acquisitions?

HON. B. URUSKI: Mr. Chairman, I'm making that assumption on the basis of the long-term leases that we're talking about. Is the honourable member speaking of a long-term grazing lease on which there is a long application form, where there's a point system? Is that what he's referring to, just so I understand him quite clearly? Because that's what I was referring to in my remarks.

MR. L. DERKACH: Mr. Chairman, I'm asking that question as a general one in either case. It doesn't have to apply to one specific — whether it's long term or short term, I think the question applies.

HON. B. URUSKI: Mr. Chairman, I'm advised that in terms of — and it could as well possibly pertain to a long-term lease in which I should clarify for the record that field staff would have some, at least advice to head office, when it comes to access or lack of access in terms of who might be the logical lessee because there is no access to that parcel of land. There may be a number of people applying for it, but if there's no access to that Crown land, of what value is there of leasing that land, and then get a neighbourhood feud going when in fact they can't get to that land.

MR. L. DERKACH: Mr. Chairman, with regard to a Crown land lease where the holder of the lease dies, and in his will he specifically makes reference to that Crown land lease, that he would wish that the lease be carried on by his sons. Now, where there is a substantial amount of land involved in this.

Does the department look favourably at leaving that particular land lease with the family, or is it then put up for grabs for anyone who may want it?

HON. B. URUSKI: Mr. Chairman, one of the requirements, of course, would be of legal age. If, in fact, children would be of legal age and would be logical

in terms of the farming operation, leases would be transferred, and those kinds of circumstances would be looked at.

Age, in terms of who can hold a lease, you have to be 18 years of age before you can hold a lease. Any other circumstances would be viewed in terms of that operation. But strictly speaking, because it happens to be in a will, and if the circumstances of our leasing policy is not met in terms of age and legal requirements, then of course the will conditions would not be able to be met by the Crown.

MR. L. DERKACH: Mr. Chairman, then I'm assuming from what the Minister has just said that if the children of the person who had the lease and the person who died were of legal age, then that land lease would be transferred to the sons or the daughter in either case.

HON. B. URUSKI: Mr. Chairman, what would have to be shown, of course, is that those leases in that farming operation would in fact continue. The leases would not be transferred just for the sake of transferring them. That farm unit would continue to be a farm unit and those lands would be utilized. That would be shown in their notification/application for this transfer. Those kinds of factors would be considered.

Just for the sake of transferring the land, for example, if I had Crown land — using myself as an example — and I have children who may be working away from the farm, and I had passed on, but in my will I had left the Crown land and my deeded land to my children, if they were not part of that farming operation and all they intended to do was turn around and sell the farming operation as part of that unit, I would venture to say that we would have great difficulty in allowing that kind of a transfer.

However, if my son or daughter had farmed with me and was fully intending on operating that farm unit, even though the leases were in my name and they were of course of eligible age, then consideration would be given to transferring the land as an in-family transfer.

MR. L. DERKACH: Mr. Chairman, in at least one of the incidences that have been reported to me, the children in fact were of legal age, had intended to carry on farming, the leases were in fact taken away and the farming operation had to cease because the majority of the farming operation was made up of Crown land leases for grazing. Are there other extenuating circumstances whereby land leases would be taken away in such a situation when the individual, the youngster or the person who inherited the home farm, was in fact intending on farming and had met the criteria in terms of age?

HON. B. URUSKI: I want to assure my honourable friend that I'd be prepared to look into any specific situation that he has in mind. The easiest way for us to address it is, of course, a memo to myself and we will look into all the aspects of it and provide him with a written response. Rather than putting people's names on the record and the like, we can correspond and we can certainly provide him with all the information that we have on file and the rationale as to why something was done or not done in terms of the information that

he has. As I stand here, I undertake to do that, if the member provides me with that information.

MR. L. DERKACH: I'd be happy to do that, Mr. Chairman, but from the number of concerns I've had in terms of Crown land, I'd almost have to take up residence in the Minister's office in order to be able to clear some of these up.

One of the major concerns that we have in our area is for farmers who've had Crown land leases for three years or for a number of years and these Crown leases have come up for renewal, we are finding that, in fact, the farmers who have had them for some time and have, just by the virtue of having taken some interest in improving the land or made it suitable for their operations, they have had their land taken away or the lease was not renewed. In fact, because of the area I live in, there are lots of new families moving in from other parts of the province. In fact, some of these Crown lands have been allocated to people who have just recently moved into the area.

HON. B. URUSKI: Mr. Chairman, in general terms, the member makes some fairly serious allegations in terms of the taking away.

MR. L. DERKACH: Renewing.

HON. B. URUSKI: If they were short-term leases, as I've explained to his colleagues, there is no — and the lease expires, that they are one-year leases. Any of the cropping leases that are for 5 years are automatically renewed to the individual who leases them. The other leases, the lifetime leases, 1 to 47 years, are there. The major reason that there would be any interest in the department in terms of not allocating or taking land away would, of course, be as a result of complaints of non-use or failure to use.

We do get those from individuals, but I want to tell my honourable friend that the number of appeals, in terms of the total number of units averaged, is roughly about maybe a little bit more than 10 percent; so that for every 10 parcels of land that are allocated on the Crown land system, one allocation is appealed, or 1.5, thereabouts, would be the appropriate designation.

I understand that when there are five applicants for a particular piece of Crown land and only one ends up getting it, there are five people unhappy and one who is happy. As a result, the concerns are there. We recognize that, but it is something that you basically try through the appeal process and the advisory process to have a system of, what I would call, rough justice in terms of trying to determine the process and it goes on.

Unless there is some very specific noncompliance procedures that our staff undertook, I would say that the system generally has and continues to work as good as one can in light of the demand for the resource in certain areas.

MR. L. DERKACH: In a short-term lease, there is no such thing as first right of refusal to the person who had it the previous year.

HON. B. URUSKI: No, Mr. Chairman.

MR. CHAIRMAN: Does the Member for Minnedosa want to ask questions?

MR. D. BLAKE: On crop lands, Mr. Chairman, are any of the Crown lands that are under lease presently being sold to the occupants?

HON. B. URUSKI: Yes.

MR. D. BLAKE: An instance came to my attention yesterday by telephone. The chap has leased this land for 15 or 20 years. He has done major improvements, apparently, on it. He bought a quarter of the half some time ago and was in the process of buying the other quarter in '81 when there was a freeze put on the sale of Crown lands and has since had an application in and has apparently had an indication from someone in, whoever it may be, a field man, I don't know, that his chances of getting it were pretty slim. I could give the Minister the land description and maybe he could look into it.

I just wondered if some were being sold why he would be given any problems in purchasing the other quarter.

HON. B. URUSKI: Mr. Chairman, there are probably 16 or 17 restrictions that were virtually not much different than those that were imposed by your administration when you started selling Crown land. It would be one of those restrictions that would be on that particular parcel of land which staff may have indicated that, look you may have a difficult time, keep getting this land.

We've got a number of basic criteria that I could give my honourable friend for being eligible to purchase Crown land, but the actual determination of eligibility and ineligibility, the whole process is handled through Natural Resources; but if he wants to give me a note on the specifics, I'll be pleased to look at it.

But one of the major criteria on Crown land and that individual meets it is, that you have to be a lessee for at least two years prior to application for purchase; then there's still limitations on the amounts that are to be sold to one applicant with no restrictions as to the size of land holdings — a home quarter sold with no restrictions as to size of the land holding — beyond that the sale is limited to 960 acres or six parcels, whichever is lesser. This limit also applies to family units, partnerships and farm corporations.

If lands are resold within three years of purchase any increase in value is shared with the province on a sliding scale, there's a kind of a capital gain recapture over a three-year period in the general sale policy. But the actual administration of the sale policy is through Natural Resources, but I'd have no difficulty, because of being involved in the Land Use Committee of Cabinet, of checking that matter out for the honourable member.

MR. D. BLAKE: Yes, this applicant, Mr. Chairman, would appear to meet all of the criteria — and I'll be happy to forward the Minister the land description and the name — and he can check it up and give me an answer later. Thank you, Mr. Chairman.

MR. G. CUMMINGS: If a leaseholder, of a short-term lease is on grazing land or hay land reaches, the age

of 60 or 65, does that reduce his opportunity to renew those leases? Given that we are now in the age of where we cannot force retirement of a school bus driver because of age restrictions, I would hope that it is not the case in agricultural Crown land.

HON. B. URUSKI: Mr. Chairman, what would occur is, of course, while the lease will generally expire at age 65, if the individual is farming actively there is no reason to withdraw the lease at all, extensions would be granted accordingly in terms of the operation continuing.

MR. G. CUMMINGS: I think I can appreciate what the Minister is saying in that area. However, it does raise a point regarding farmers who perhaps reach 50-55 years of age. If their eligibility for leases is reduced because of their age on the point system that is used — and I'm not aware of the point system so perhaps you can correct me if my assumption is wrong — then we are in fact penalizing them or making it difficult for them to improve the efficiency of their operation by expanding and using their age as a leverage, if that in fact is the case. I've had some concerns expressed that that is possibly what is happening in renewal or in the letting of some of these leases.

HON. B. URUSKI: Mr. Chairman, I'm advised that over the last six months or more we have not used age as part of the criteria for being ineligible for Crown land.

MR. G. CUMMINGS: I would like to congratulate the department.

MR. G. FINDLAY: For Crown lands, to either lease it or buy it, do you have to be a farmer or can any citizen apply for or receive leases? An environmentalist or wildlife advocate, can they get land too?

HON. B. URUSKI: Mr. Chairman, in terms of the purchase of Crown land, under agricultural Crown lands only an active lessee can purchase a Crown land.

There are sales in communities, recreational areas, a number of policies that apply to other situations of Crown land, like in Northern communities where all the land is Crown land, there would be lot sales to members of the community, people who lived in the community. There would be in some of our northern areas, recreational areas, where someone's had a lodge or whatever, would be eligible to purchase land there, there are a number of circumstances that policy would apply to Crown land.

But on agricultural Crown lands strictly being involved, the applicants of course must be Canadian citizens or have landed immigrant status; applicants must be residents of Manitoba; applicants shall be actively involved in the management of the farm or ranch involved and in conjunction with his or her family, supply the majority of labour. All members of partnerships or corporations must meet eligibility criteria. Applicants shall own livestock or shall be the owner of sufficient livestock within one year of the approval of the lease to properly utilize the land. That's basically for the agricultural Crown lands.

No one could come in and purchase agricultural Crown land unless, of course as I said earlier, they

leased it for a minimum of two years and actively farmed it.

MR. G. FINDLAY: Then to be more specific on that which is available for lease, which a farmer has if it has no connection with recreation whatsoever, it's a piece of property that a farmer would say it's good only for grazing, can a wildlife advocate come in and lease that property and utilize it for that purpose?

HON. B. URUSKI: Mr. Chairman, if the land was classified under the Crown Lands Classification Committee as "agriculture dominant", then there would not be a lease going out to another party for some other use. We would not allow that to occur.

There have been occasions, for example, where land was applied to be sold by someone who marginally used that land for agriculture. All Crown lands that we offer for sale we do request an opinion from the local municipal authority as to the applicant and as to the use and get some advice from counsel. That's one of the processes that we go through prior to land being sold.

Now that's not to say that any negative information against the sale by counsel will be used, but that information certainly is considered by staff prior to making the allocation. If the information is serious enough as to warrant a re-evaluation or it creates a major impediment, then in fact this could be a cause for denial. But we've had occasions where there have been complaints of, basically I guess what one could call a bit of jealousy, and of course those would be evaluated and dealt with along with any other information we would receive.

MR. G. FINDLAY: On the Improvement Program, how much money is allocated for those grants and is it all used each year, and has that changed very much in the last two or three years?

HON. B. URUSKI: Mr. Chairman, \$395,000 is allocated for this year. We had a greater budget than that last year. We have cut back on the budget because it was not utilized due to the economics in agriculture. Even though it is public money, we have cut back on the program substantially.

We basically have the program in terms of the amount of capital available. But we did not even use the total amount — not near the total amount — last year.

MR. G. FINDLAY: To utilize the money, a farmer has to happen to apply, or does it have to be on recommendation of the land representative, or both? Or how is it operating?

HON. B. URUSKI: Mr. Chairman, the farmer would deal with his land rep. directly and the applications and the information would be forwarded to head office for scheduling and dealt with, in terms of setting the priority, as to who should be eligible out of that budget if there are more applications; so as I indicated before, one of the criteria is for the first-time applicant would have priority over others. Otherwise, everything else being equal, there was enough budget for all the applications that were there, they would work through their land

rep and they would just be carried out, if weather conditions and everything else was favourable during the winter months.

MR. G. FINDLAY: Does the land rep have the authority to tell a farmer that this improvement or that improvement should or must be done on the land, and if the farmer prefers not to do it, does he stand to lose the lease?

HON. B. URUSKI: Mr. Chairman, generally what occurs is they try and work out the best use of the land base that is there in terms of, I would say, putting the most of the land that would be available for opening up, at the least cost in terms of financial utilization. Generally, that's a negotiated and discussed process.

I have, quite frankly, not had two complaints, maybe three, in five years, dealing with the question of some alleged dispute, and usually it's just a misunderstanding. In most of the complaints, two of them that I've had, dealt with the individual felt, after the fact, that he would like us to pay out his improvements rather than finance them himself. Of course, that is even considered if there is budget available at the end of the year, pending all of the applications being handled, if there's budget, even that can be considered. Really, I have not encountered any problem at all.

MR. G. FINDLAY: I guess in the area of the average citizen, does the average citizen have the ability or the right to use all Crown lands as he sees fit, to go out for a picnic along the lake, or go hunting on the property? Does the farmer have any rights to protect his livestock on leased land?

HON. B. URUSKI: Mr. Chairman, the law is clear that if someone, and I guess this is where all laws that you find some difficulty with, access to Crown lands is provided on the basis that there shall be no damage and no disruption of the activity of the individual leasing it.

This is where the whole question of a cooperative approach, and the problems usually occur with about 1 percent or 2 percent of our population, and they cause the difficulties for the other 98 percent who, first of all, will usually get their land maps of the area, will in fact approach the farmer in the area saying, well, you leased this land, can I have access to it. That's, I would say in 98 percent, 99 percent of the cases, this occurs. But it is that 1 percent to 2 percent of the cases which really play havoc with the farm community and get everybody uptight, get everybody upset. We've tried to address it in a general way in terms of our leasing policy and our financial policy. It's not perfect but it is one that recognizes that there are other users of that Crown land and in exchange for that right of entry, in general terms, we don't recoup even all our administrative costs in the leasing policy.

MR. G. FINDLAY: If you get an individual who has leased a piece of land, and I'm thinking of one in particular — it's along a lake and the access to the lake to go swimming or picnicking is to go across the pasture, and it seems to be the thing to do in the dark hours of the night. When they're coming out, they have

a tendency to leave the gate open. What recourse does the farmer have to protect his property in that situation?

HON. B. URUSKI: Mr. Chairman, I guess if it occurred on a number of occasions, I think I would alert my local detachment on an evening when traffic would usually occur, and clearly that would be a case for trespass and I'm sure there an individual could bring an action against those causing it.

Basically, it would come down to a question of proof and that's always the difficulty, to be able to actually pinpoint someone who actually caused the situation to occur. Like leaving the gate open, for example, you could have one individual going in, leaving the gate open, then not the same individual who left the gate open, coming out last and seeing the gate was open, and maybe not — (Interjection) — Mr. Chairman, I'm advised as well that the use of the trail generally should be what would normally be known as a public trail. If, in fact, it would be just a gate into the farm, I would think that the farmer likely would have every legal right to lock the gate. But if there has been long-term passage down that trail and it is generally known and used as a public road, even though it may not be dedicated as such, a commonly-used area, then I think he'd be running into some difficulty as well.

It's one of attempting to educate, and good common sense on behalf of people who are making use of that Crown land for enjoyment purposes.

MR. G. FINDLAY: One other question, then. On Crown lands where beaver create a problem with, you know what beaver do, they have a tendency to accumulate water in the wrong places for man's use of the property — whose responsibility is it and what recourse does a farmer have for damages in those cases?

HON. B. URUSKI: —(Interjection) — I think my colleague will be hearing all those questions when his Estimates come up. Generally, in conjunction with the Municipal District and Natural Resources, we tend to try and deal with the problem. I have to say that, yes, beavers are a problem and I would say all over the province, they do occur. I think there is a natural growth in the beaver population and Natural Resources, with the land owner and with the municipality, try and deal with these situations on an ongoing basis.

MR. CHAIRMAN: 5.(h)(1)—pass; 5.(h)(2)—pass.

Resolution 10: Resolved that there be granted to Her Majesty a sum not exceeding \$11,867,600 for Agriculture, Farm and Rural Development Division, for the fiscal year ending the 31st day of March, 1987—pass.

The hour being 4:30 p.m., I am interrupting the proceedings for Private Members' Hour. The committee will return at 8:00 p.m. this evening.

Call in the Speaker.

IN SESSION
PRIVATE MEMBERS' BUSINESS
PROPOSED RESOLUTIONS
RES. NO. 10 - FEEDLOT PROGRAM

MADAM SPEAKER: The Honourable Member for Virden.

MR. G. FINDLAY: Thank you, Madam Speaker.

I move, seconded by the Member for Gladstone, Resolution No. 10, that

WHEREAS calves are leaving the Province of Manitoba for finishing in other jurisdictions; and

WHEREAS jobs are being lost in Manitoba since cattle are being finished and processed in other jurisdictions; and

WHEREAS the recent Manitoba Beef Commission survey indicated 62 percent of the respondents favoured the implementation of a feedlot support program.

THEREFORE BE IT RESOLVED that the Manitoba Government consider the advisability of implementing a feedlot support program with support levels comparable to current support prices for finished animals presently eligible under the program.

MOTION presented.

MADAM SPEAKER: The Honourable Member for Virden.

MR. G. FINDLAY: Thank you, Madam Speaker.

I'm pleased to rise at this opportunity to speak to this very important resolution. I've had many discussions with farmers across the province over the last year, and probably more so to say over the last two years, where they've addressed a serious inequity that exists in the beef feeding industry in Manitoba. We've talked on numerous occasions in the past about the cost of farming, and it's always best in any industry to be able to recover your direct costs from the marketplace. Let the consumer pay a fair price for the product that's being consumed.

The Manitoba Beef Plan that was brought in by the present government about three, four years ago has put in place a vehicle to extract a reasonable return for the beef producer by an indirect route from the consumer. The consumer pays a low cost at the marketplace and because of the subsidy that's paid to the beef producer, tax money is put into the farmers' pocket and gives the farmer a more fair return for the product that he's producing.

This program has put a lot of subsidy money in circulation in rural Manitoba. The money has not been lost. It has been spent by the farmer. It's cycled through the economy. It has stimulated economic activity, Madam Speaker. It has created jobs and taxes have been paid as that money is cycled through the economy. So, the provincial coffers have been helped by the activity this money has created.

If we look at the Manitoba feedlot situation in a broad spectrum, the majority of our cattle are fed, or a large portion of our cattle are fed on mixed farms, on family farms, but these small feedlot operations face some serious economic competitive pressures at this present time. They've been accentuated over the last two years, more or less, during the period of time when the beef plan has been in place, because the beef plan has been designed to look after the person who feeds cattle who has a cow herd.

The person who doesn't have a cow herd but feeds cattle as an added component of his farming operation

has certain problems right now and I'd like to go over them. When this feedlot operator goes to the auction mart, usually in the fall, to buy his calves to feed over the next few months, he is finding himself bidding against producers from other provinces, particularly Eastern Canada who have subsidy money in their pocket so they can outbid him, so the only thing he can take home is the poorer quality animals. He can't take home the good quality animals and feed them in this province.

The other thing he looks at is that when he sells his steers, as is the present case right now — it was this way certainly a year ago and it's been this way most of the time over the last two years — he is netting anywhere from \$50 to \$200 a head less than the farmer across the fence who happens to have a cow herd and be in the beef plan. So, he feels that if his neighbour can have access to public funds to offset his losses in the marketplace, why should not he as an equal member of this province and a beef feeder also have equal access to that money.

The other thing that grieves him, and it's probably been going on more so lately than it used to, is that when he goes to the auction mart not only is the local feedlot operator bidding against money from outside the province, he is bidding against his neighbour who is in the beef plan. What they perceive is happening here is that the neighbour is on the beef plan, can sell his number of animals under the beef plan, in some cases, he may decide to sell off his poor calves and go buy some good calves, feed the good calves out, so the feedlot operator is then having to pick up the poor calves that the man on the beef plan has decided that he doesn't want to feed.

The other way to look at it is maybe he's lost 10 calves this year, so he goes and he buys 10 from the commercial market and then goes and feeds them out and sells them under the beef plan, so he's being subsidized even though he's bought the calves in competition with the feedlot operator.

There's also allegations that maybe the cow-calf man is selling more calves than he's actually raised anyway. Whether they're right or wrong, certainly the perception is out there in the eyes of the man who is trying to be an honest feedlot operator.

The feedlot operator, in many cases, has land that is not suited to having a cow herd. It's mainly highly cultivated acres. He's a feed grain producer and he's certainly doing a service to the province by trying to cycle that feed grain through in a value-added industry.

In many cases, the cow-calf operator lives on the type of land that's good only for raising calves and the present beef plan to stimulate the cow-calf man to finish his animal is maybe not the most efficient way to finish those animals. Maybe the normal process of allowing that calf raiser to sell his calves to a feedlot, big or small, in the province, to carry on the finishing should be a process that's not interfered with but is stimulated or supported by the subsidy program under the beef plan.

I'd like to just spend a couple of minutes looking at the value of the small feedlot in our rural setting. As I've indicated already, there is a place for that feedlot operator because not all calf raisers want to or can or have the ability to finish those animals out. Many farmers do not want to have to be trapped into the position of having to feed their cattle out.

When the small feedlot cannot compete in the marketplace to bid for those calves that come on the market each fall, they're ending up leaving the province. As everybody has heard myself say and it's been published in other places, in '84 and '85, approximately one-third of the calves raised in this province have left the province for finishing elsewhere. I say to a large extent because the small local feedlot operator cannot competitively bid for those calves in the fall.

When that happens, there's a loss to the feeding industry in the Province of Manitoba. This loss to the feeding industry of this third of the calf crop which is you know maybe around 80-100,000 head means a loss to the feeding industry of about \$25 million. It means a loss of jobs in Manitoba in the feeding industry. It means a loss of economic activity in the Province of Manitoba. If less calves are finished in this province, there's obviously less cattle slaughtered in the province.

If you look at the statistics over the last 12 years, the number of cattle slaughtered in Manitoba have declined to a fair degree, and more so than the decline, there's been a greater decline in Manitoba than some of our other large neighbouring provinces like Ontario, Saskatchewan and Alberta. So, we're losing ground.

When animals aren't slaughtered here, we certainly lose jobs in the packing industry here in the City of Winnipeg. We lose jobs in the processing industry because the animals aren't slaughtered here. Certainly, there's a loss of economic activity. If we consider that \$25 million is lost in the feeding industry and the economic activity in spinoff that occurs if animals are finished and slaughtered here, there's been various estimates, and maybe the economy of Manitoba is losing anywhere from \$50 million to \$100 million, or maybe even more, because almost 100,000 calves are leaving the province each fall.

Manitoba has a very substantial meat packing industry. This meat packing industry must be maintained here, and it can best be maintained by keeping the slaughter numbers up.

It is imperative, in my mind, that incentives be put in place to feed at least the number of the calves raised in the Province of Manitoba, and naturally the preference would be to not only feed what we raise but to attract some into this province for feeding here.

Manitoba has an awful lot of land that is suitable to raising calves. We must maximize the ability to raise these calves in this province. Manitoba also has an ability to produce a lot of feed grains, and to have an active feedlot industry would consume a lot of those grains here in the province and stimulate a lot of economic activity.

If we can put the two together, raising of calves and finishing of those calves in the province, through combined support programs between the cow-calf and the feedlot operations, we'd be doing a lot to promote the Province of Manitoba in the economic sense in the future.

If we look at neighbouring provinces, the competition that's happening for our local feedlot operator, Ontario and Alberta have both recently entered the Tripartite Red Meat Stabilization Plan which gives them, as participants of a national program, a level of support. Quebec, Saskatchewan and B.C. all have provincial stabilization programs. So if you go across the country from Quebec to B.C., there's only one province that

doesn't support the feedlot industry at this moment in terms of substantial stabilization programs.

Manitoba has one of two choices. If we want to support our feedlot operators, we can either put a program in, in the beef plan, that looks after the feedlot operator or we can enter the national plan.

Now the Beef Commission held a series of meetings last spring across the Province of Manitoba. Question No. 12: Should the Manitoba Beef Plan be expanded to include a feedlot program as in the proposed national plan? Sixty-two percent said yes, 28 percent said no; a clear indication from the producers who attended the Beef Commissions hearings that they believe a beef plan should include the feedlot operator.

The Manitoba Cattle Feeders' Association has prepared a brief and made representation to the Minister to request a plan that they be supported in this Province of Manitoba. The Manitoba Cattle Producers' Association supports a tripartite plan. There's obviously a decision to be made. No. 1, do we support our feedlot operators and, No. 2, how do we do it?

I would request the Minister to set up some sort of advisory committee involving the entire cattle industry to arrive at a decision. Could it be done forthwith? There's been a period of time lost in terms of the number of animals leaving the province, and it's high time we did something to keep them in the province till the fall of '86 so that our local feedlot operators can be viable in terms of the feedlot industry across Canada.

A feedlot support program of some nature in the Province of Manitoba will definitely increase the number of jobs in the province and do an awful lot to stimulate the economy of Manitoba.

If the calves leave the province, Mr. Minister, I guarantee you jobs leave the province. If calves stay here and be finished, I guarantee the jobs will increase.

I request the Minister to act on this resolution and move as quickly as possible to implement some nature of feedlot support program in the Province of Manitoba.

I thank you, Madam Speaker, for the opportunity to speak to this resolution.

MADAM SPEAKER: The Honourable Member for Lac du Bonnet.

MR. C. BAKER: Thank you, Madam Speaker.

I, too, am happy to rise on this occasion and add my voice to the fact that I think we should have a stabilization program for feedlot feeding in Manitoba. I compliment the honourable member for bringing forward the resolution. However, I argue somewhat with some of his premise and I believe that the resolution has some inaccuracies in the WHEREASES.

For instance, Madam Speaker, the first WHEREAS states that: "WHEREAS calves are leaving the Province of Manitoba for finishing in other jurisdictions . . ." Well, the fact is, Madam Speaker, that calves have historically moved from west to east in response to higher prices and the cheaper feeding costs in the eastern provinces. However, there has been a downward trend. In 1980, it was 147,500 animals or calves left Manitoba. In 1985, the number was down to 120,700 animals.

The second WHEREAS, where it states that jobs are being lost in Manitoba since cattle are being finished

and processed in other jurisdictions, it's true to a degree but in this particular instance it's false because, as a matter of fact, there's been more jobs in Manitoba.

For instance, Madam Speaker, total slaughter cattle in Manitoba have increased by 11 percent last year, the highest of any province. Much is due to the fact that the Manitoba Beef Commission slaughter cattle sales have increased by 30 percent over last year and all this, Madam Speaker, while there is a 5 percent reduction in the number of cattle that are coming from Saskatchewan to be slaughtered in Manitoba. As a matter of fact, over the last year, slaughter cattle in Manitoba, plants have increased by 20 percent. Burns are slaughtering more cattle than ever before — 1,700 per week as compared to 1,200 per week three years ago.

The sale of calves and yearlings through auction marts are down 77 percent from 81 percent, respectively, in '84, '85. It tells me that more cattle are being fed in Manitoba.

Madam Speaker, I'm happy that the same party which was urging us two years ago to immediately join the federal tripartite plan has now changed his tune and wants us to retain a provincial plan. It seems strange that this same party which was so concerned about the size of the deficit in the beef plan is now urging us to expand the plan to include feedlots and add further to the deficit. I'm sure, Madam Speaker, that you can't have it both ways.

I really don't quarrel with the principle of the feedlot program at all, but I would like all members in this House, in this Assembly, to support the resolution, to support the request for a feedlot plan. Therefore, I would like to move an amendment to the resolution, Madam Speaker.

May I proceed, Madam Speaker?

MADAM SPEAKER: Yes, certainly.

MR. C. BAKER: I would like to move, seconded by the Member for Swan River, that the second WHEREAS of the resolution be amended by deleting the words, "jobs are being lost in Manitoba since the cattle are being finished and processed in other jurisdictions," and be replaced with the following words: "More jobs would be created by finishing and processing more slaughter cattle in Manitoba."

And that the resolution be further amended by adding, after the third WHEREAS, the following: "WHEREAS the Manitoba Beef Commission has been very successful in increasing the finishing of cattle in Manitoba,

"FURTHER BE IT RESOLVED that the Manitoba Government be commended for establishing the Beef Commission, the Beef Income Stabilization Plan, and the Manitoba Beef Commission,

And that the resolution be further amended by adding to the BE IT RESOLVED clause after the word, "a" in the second line thereafter the word "family farm" and by deleting the words, "comparable to current support prices for finishing animals presently eligible under the program," and replacing them with the words, "based on the cost of production."

Madam Speaker, thank you for sharing these few minutes with me. I hope now that everybody in this House can support the resolution.

Thank you very much.

MADAM SPEAKER: It has been moved by the Honourable Member for Lac du Bonnet, seconded by the Honourable Minister of Natural Resources . . .

The Honourable Minister of Agriculture on . . .

HON. B. URUSKI: It appears that in the, that the resolution be further amended, in that portion, by adding after the third WHEREAS, that is on the basis that the words after the third WHEREAS would all be deleted and the new section inserted. I believe that's what is meant in there, not to leave what is there and then adding this. It would be the third . . .

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, on a point of order, to possibly offer you some guidance on the acceptability of this amendment.

Clearly this amendment has completely changed the intent of the resolution and the proposal to have debated the issue of having feedlot animals, that fall under the support provisions of the Beef Plan in Manitoba. Clearly, this resolution has completely eliminated that aspect of debate and has completely changed the resolution to reflect, really, nothing except some self-ingratiating pats on the back to the government, and completely avoids the issue of the problem in the beef industry, whereby feedlot animals are not able to be finished in this province, to create the kind of additional employment that my colleague, the MLA for Virden, has brought this resolution to the House to discuss and to debate. So, clearly, Madam Speaker, this amendment ought not to be allowed. It clearly is out of order, according to the rules.

MADAM SPEAKER: Before I recognize the Minister of Agriculture, I'd like to get some clarification in terms of the structure of the amendment.

In our printed resolution, we do not have an "a" in the second line. We have an "a" in the third line.

Is it after that "a" that the honourable member . . .

HON. B. URUSKI: Madam Speaker, on that point only, "a" in the second line of the THEREFORE BE IT RESOLVED. In my copy of the proposed resolution, I have it in the — maybe that's the reason. The "a" in between the words "implementing" and "feedlot" — that is the "a" that the amendment speaks about.

MADAM SPEAKER: So the BE IT RESOLVED would read: "BE IT RESOLVED that the Manitoba Government be commended for establishing the Beef Income Stabilization Plan, and the Manitoba Beef Commission" and "BE IT FURTHER RESOLVED . . . ?

HON. B. URUSKI: BE IT FURTHER RESOLVED . . .

MADAM SPEAKER: ". . . that the Manitoba Government consider the advisability of implementing a family farm feedlot support program with support levels . . ."

HON. B. URUSKI: ". . . based on the cost of production."

MADAM SPEAKER: ". . . based on the cost of production."

HON. B. URUSKI: Right. ". . . feedlot support program with support levels based on the cost of production." That's how it would read, Madam Speaker.

MADAM SPEAKER: With that clarification on the resolution, then, I'm satisfied that it is in order and that it is changing only the process by which the problem would be solved, not that it's in contradiction to the gist of the resolution. It's offering a different solution. The Honourable Member for Morris.

MR. C. MANNES: Madam Speaker, the Minister's explanation was rather vague — on a point of order. I'm wondering if you, with respect, Madam Speaker, if you might find that, or ask the Minister of Agriculture to redraft this so that we know specifically what it is that we are attempting to debate. The resolution is not clear at all, Madam Speaker.

MADAM SPEAKER: On the member's point of order, the Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, to re-read the amendments that are proposed in the resolution, the final WHEREAS and THEREFORE BE IT RESOLVED would read this way:

WHEREAS the Manitoba Beef Commission has been very successful in increasing the finishing cattle in Manitoba;

BE IT RESOLVED that the Manitoba Government be commended for establishing the Manitoba Beef Income Stabilization Plan and the Manitoba Beef Commission;

THEREFORE BE IT RESOLVED that the Manitoba Government consider the advisability of implementing a feedlot support program with support levels based on the cost of production.

MADAM SPEAKER: May I suggest to the House that we take this resolution and have it printed up with the proposed amendment, so that everyone knows what they're talking about, and bring it . . .

The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, I beg your indulgence for guidance.

MADAM SPEAKER: I'm begging your indulgence, too.

MR. D. ORCHARD: Yes. Madam Speaker, when an amendment comes in, it's my understanding that the amendment, as moved and seconded, which the Member for Lac du Bonnet and the Member for Swan River did, that that should be the official record of how the amendment reads. Clearly, grammatically, this amendment to the resolution is not correct.

In simply having another member stand up and say this is the way we meant it to be, should not fit with the Rules of the House, Madam Speaker, and provides a great deal of confusion for Hansard, for the Clerk, and for yourself.

I would simply suggest that you might offer, and I would offer to you the advice that we make the suggestion to the Member for Lac du Bonnet, or to other members of the House who wish to speak on this, that they might come back the next time this resolution is before the House, with a properly-worded amendment, such that we don't have to have members in the government stand up and explain the typographical and other errors in their amendment that we are expected to accept as an amendment to this resolution, and bring it back another day with a proper amendment that is worded clearly, that is understandable, so that we don't have to get into this confusion of explanation as to what they intended to do, Madam Speaker.

MADAM SPEAKER: Order please.

In my opinion, the only problem with the way this is drafted, if one makes reference to our printed resolution, rather than the paper on which we have the amendment, that we change it to say, in the third line thereof, and then everything else would fit, and in terms of content, the amendment is in order.

It's in terms of the way this particular paper is worded. It says, "second line" and there's no "a" in the second line, and I presume it means in the third line of our printed resolution.

MR. D. ORCHARD: Quite sloppy, Madam Speaker, but we expect it from this government.

MADAM SPEAKER: I don't. The amendment is then before the House with that minor correction in the printed text of the amendment passed to the House by the Member for Lac du Bonnet.

On the amendment — the Honourable Member for Gladstone.

MRS. C. OLESON: I must say I would much prefer to be debating the original resolution, since it was clear and concise and far more easy to understand than this; however we will press on and do what we can with this amendment.

I am very happy to be speaking to this resolution — as I say though, not too thrilled about the amendment — but I was very pleased when the Member for Virden brought this forward because I think it's a very timely resolution. It deals with a problem in the industry and we have a problem with the feeder cattle industry in this province, mainly because feedlots are not supported by the Beef Stabilization Plan.

At this time in this province, when we desperately need jobs, and we are now exporting jobs to the provinces of Quebec and Ontario and elsewhere, and while our packing houses are suffering from lack of product, the Member for Lac du Bonnet was trying to tell us otherwise, but I have a quotation from the Brandon Sun of December of 1985, which states, "The Manitoba cattle industry lacks the stabilizing factor of cattle feedlots to supply the packing houses with a fairly consistent level of cattle year round." So I think that would refute his argument that there is not a problem in that area.

It's not enough to cry and wring our hands when there are people laid off in the packing house industry

and the processing and butchering industries. We can't just, as I say, wring our hands and blame the companies for these layoffs. We have to encourage a favourable climate for growth in the industry, if it is to survive, and one of the ways we can do this is to make sure that our cattle don't leave the province.

The amendment to the resolution talks about creating jobs. More jobs would be created by finishing and processing more slaughter cattle in Manitoba — well that's just exactly what we're talking about. We want more of them processed in this province. So in that sentence, the Member for Lac du Bonnet is adding weight to our argument.

If feedlots were encouraged in this province, we would not only create more jobs, we would use a lot more of the feed grain that is very difficult to sell and is stored on farms and in this way would use that and keep the processing at home as well.

One of the problems we have in this country is the competition between provinces and areas. It is difficult enough to compete with foreign governments, but it is a shame that Canadian provinces have to compete with each other with regard to processing, because one province has the ability or perhaps the desire to give greater and greater subsidies.

We have the potential in this province to produce much more than we really do. This government seems to want to pick and choose which segments of the cattle industry to encourage and support. Their justification for not supporting feedlots is weak and unconvincing, and so I am pleased today to hear that the Member for Lac du Bonnet, at least, is wishing to support the feedlot industry.

Part of their reluctance and the concern, I believe, in feedlot business is a feedlot apart from a family farm operation, and I can understand that. I'm not asking government to subsidize risk takers who want to go into feedlots as their only enterprise. That's not what I am suggesting. Well at least I'm not asking for that anyway and I'm sure that the other members on this side are not. The feedlot I have in mind is one run by a farmer and his or her family, and perhaps hiring extra staff from time-to-time to run it. That's the kind of feedlot I'm talking about, when I'm supporting the resolution put forward by the Member for Virden.

Let these people have the protection of a stabilization plan, which, of course, they pay into it, so why should they not have this protection, and to give some protection from outside market pressures and fluctuating prices.

Madam Speaker, everyone in this Chamber is aware of the problems in agriculture today. One of the things that some have suggested, as a way for more viability on the farm, is to diversify. One way to diversify is to go into livestock; in some cases to use up the surplus feed grain, as I have mentioned before. There are few ways to diversify in agriculture today, however. Poultry and egg business, it's closed unless you can get a quota; so is the milk and cream business, so it is very difficult to diversify.

I remember being at a meeting of farmers and there was a panel there discussing the problems of agriculture and bankers and farm specialists of other sorts were suggesting diversify and I couldn't see how they were going to do it, unless there were quotas opened up in some of these protected fields — you can't diversify.

About all that is open is maybe in different kinds of specialty crops, if you can sell them, or go into livestock, hogs or beef. Other areas such as sheep are very special crops. You have to have a market for them. You have to know what you're doing. They're very specialized. You have to have access to a market and expertise.

Beef, Madam Speaker, already has the market, the processing facilities, and many people have the expertise to produce the product. It's excellent world-class beef that is produced in this province. We, as a nation, are in an enviable position with our vast acres of excellent farmland where we can pasture cattle or grow feed with which to sustain thousands of excellent beef cattle. We are the envy of many nations who are hard pressed to supply the food needed by their huge populations on a limited land base.

It's a great pleasure to go to the fairs and the 4-H calf shows in my constituency and see the fine animals that they're displaying. The young people taking part in 4-H Calf Clubs today are the beef producers of tomorrow. They're learning from their leaders and from their parents, the skills and know-how to raise top quality animals. They're learning the importance of good breeding stock, carefully rationed feeding, and proper care of animals, along with grooming and showmanship that's so important at judging time.

So, Madam Speaker, we owe it to these young people to preserve and encourage a viable cattle industry in Manitoba, so that there is a future for them in the industry. We cannot do this by stifling the feedlot component of the industry. Madam Speaker, feedlots are an important part of the cattle industry; an industry we must preserve in Manitoba. We must not let this drain of feeder cattle out of the province continue. Manitoba needs viable meat packing facilities. We will not have them if we continue to export the cattle and the jobs out of the province.

For these reasons, Madam Speaker, I was planning on supporting the resolution brought forward by the Member for Virden. I am not so certain about the one that has been produced today. I will have to look at it more closely and consider all its ramifications. No one, of course, is going to argue against the family farm and many of the things in the amendment that make sense. I really don't think a resolution as self-serving as this — commending and patting the Minister of Agriculture on the back — is the way to go however.

Thank you.

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Thank you, Madam Speaker.

I am pleased to take part in this debate and I'm pleased to see that amendment that was put forward by my colleague, the Member for Lac du Bonnet, and I hope that members opposite will see the intent of the government is to work towards a feedlot program.

But I think, Madam Speaker, in light of this debate, we should take a bit of a historical perspective as to where we have come from, where we are today, and where we will be headed in terms of the beef industry in this province.

Madam Speaker, it's kind of nice to see the Opposition members now being concerned about the

plight of the beef farmer in the Province of Manitoba. Quite frankly, they lost an election over that issue alone, Madam Speaker, in 1981. For two years prior to that, they were being asked and asked and asked by beef farmers in Manitoba for some form of support because of depressed prices. After they ruined a perfectly good stabilization program that had been in place in 1975, they confused farmers and got them so confused till farmers said, to heck with this program and they gave up on the program and then they said fend for yourselves boys. Well, the market did its true about face, my honourable friends went into a depression and, Mr. Chairman, they were not prepared to act and voters across Manitoba showed their disrespect or their acknowledgement of the lack of action by that Conservative administration.

We made, as a party, certain commitments to the beef industry, Madam Speaker, and we've kept them. We have poured just about \$50 million into the beef industry over these last four years. We provided the kind of income stabilization that is necessary for beef producers to survive. What members opposite have continually failed to recognize and have not wanted to acknowledge — I think the Member for Morris acknowledged it in his remarks to me across his seat — is that this beef program does allow the feedlot industry to participate in the program. It does not — (Interjection) — No, Madam Speaker. The Member for Gladstone says only if you have cows. Madam Speaker, this program allows any feedlot operator to provide a custom service to anyone who wants to feed cattle in the province.

Madam Speaker, we have not attempted to encourage farmers who are in the cow-calf business from going into additional expense and additional capital expenditure and into an area which they may not want to go into, or may not be technically efficient in doing or not have the expertise themselves. We have not. This program does allow any feedlot operation in the province, and the farmers who have the cows, of course, are guaranteed the support and the negotiations can take place — and they have taken place between many feedlot operators in the province — by allowing custom feeding to go on and some feedlot operators have done well by it. Mind you, Madam Speaker, I have to admit, that some have not.

But our intention was as a government, and we fully explained it in 1985, we had hoped that the federal tripartite stabilization plan would, in fact, have some redeeming features to it; that there would be some decent support for the cattle industry and that was our intent, if the Tripartite Stabilization Program was there and was meaningful, then we would swing over into national tripartite. There was nothing there. In fact, the Conservative Party was urging farmers to join tripartite stabilization when, in fact, the stabilization program based on 1985 figures would have given producers in Manitoba \$20 per cwt less in support than they're getting under the provincial plan. — (Interjection) — Madam Speaker, the Member for Gladstone says why didn't you go to Ottawa and fight for your rights.

Madam Speaker, the Ottawa group listened only to the Canadian Cattlemen's Association. The program is totally modelled on the Canadian Cattlemen's Association which has been rejected by the vast majority of producers in this province and in Saskatchewan, as

being totally — totally — inadequate in terms of the needs of the cattle industry. Madam Speaker, we are having discussions with the feedlot industry and we will be working towards the support.

But it's interesting to note, Madam Speaker, what the Conservative members have been advocating. They're saying support the feedlot industry the same way as you're supporting the cow-calf producers, the basic industry. They're saying let's double subsidize the cattle industry whether they need it or not, by their original resolution saying that comparable to the current support prices. Since when, Madam Speaker, does a feedlot operator, who has not had the expense of feeding the cow and raising that calf, need a double subsidy, or the same level of subsidy as the original farmer who has had that entire expense of raising that calf over that period of time? Even the feedlot industry has said, we don't need the kind of support that is necessary there, and that's the reason.

The Honourable Member for Lac du Bonnet did not go as far as was proposed by members opposite; but on the one hand they want to put more money into the beef program but for a year-and-a-half they've been saying the deficit is too high; what are you going to do with the deficit? What are you going to do about your provincial deficit? On the one hand, raise your deficit on the beef program, so where are you going to take it from, Madam Speaker? From whom are you going to reduce your overall deficit when you want to spend more?

Madam Speaker, had we put this program into place the way they have suggested it, we would have had at least another 30 percent increase in the deficit — another \$10 million at least to the provincial deficit — by what they're suggesting. That's called good public posturing, Madam Speaker? That is efficient management from good Conservative members after they're saying to farmers, join the federal plan, cut your throat? On the second hand while we're now in Opposition we can say, let's get the support as high as we can and really lambaste the government because they really should be putting in more money to the beef program. Nonsense, Madam Speaker, totally irresponsible on behalf of the Opposition; totally irresponsible.

Madam Speaker, we are having discussions with the feedlot industry and I'm pleased for the comments of the Member for Gladstone, that she sees the feedlot program primarily a family farm operated program. I will expect her to vote for this amendment because clearly she supports what we're saying. I'm very, very pleased for her action there. We will, in fact, be working towards that end. But members opposite, I guess they do want to have it both ways.

In fact, I think the Member for Lac du Bonnet really clearly put it on the record indicating what the beef program has done in terms of the processing industry and the jobs. Madam Speaker, the Brandon plant which was originally going to be closed was operating with a maximum kill of about 1,200 animals per week, strictly beef, in Brandon. Today they are putting through 1,700 animals per week — far beyond what the Brandon plant has ever put into — (Interjection) — Today, I'm speaking in general terms when I say today I'm speaking of the latest statistics that we may have.

Madam Speaker, the Brandon plant is operating at far greater capacity than it's ever been. Don't let the

honourable members tell you that somehow they are friends of the processing industry. They allowed Swifts to close; 700 jobs in Manitoba went out the window. That's their record of working with the livestock industry and the processing industry in Manitoba. Or do we want the kind of confrontation that we have now in Alberta? Do they want that kind of confrontation in the processing industry or do they want a cooperative approach as has been undertaken by my colleague, the now Minister of Finance, the Minister of Industry, Trade and Technology, and the Department of Agriculture, and a number of our colleagues, in working towards a cooperative approach of building on the existing processing industry in Manitoba, building on our strengths in a cooperative way.

I believe that the amendment proposed by the Member for Lac du Bonnet clearly indicates this government's continued commitment for the livestock industry in a very coordinated, and I would say, responsible manner.

Madam Speaker, I want to tell my honourable friends what their colleagues in Ontario said about supporting an animal more than once in their study. I think the Honourable Member for Virten should look at that study that was done by my former colleague — he was the then Minister of Agriculture, Dennis Timbrell, and his department about they were going to cut out, do away with the middleman because they said it was an inefficient system. Every time an animal changed hands, somebody wanted to make a profit. Nobody blamed them for that, nobody blamed them for that, Madam Speaker, but they said the system was inefficient because the beef industry could not sustain that kind of profit-taking in several sectors along the chain because ultimately the consumer would have to pay for the profit. A Conservative Government in Ontario said that about the — (Interjection) — They did! Madam Speaker, the Member from Virten — (Interjection) — get a copy of that study. In fact, I will get a copy of that study and I will bring it into the House and I'll quote chapter and verse from that study as to how the Conservative administration looked at this area of the beef industry.

Madam Speaker, thank you for this opportunity. — (Interjection) — I have three more minutes in this area. I wanted to speak on this area because for the Member for Virten — your resolution really says we're prepared to support each animal to the limit regardless of who owns that animal. He's saying in his original resolution that originally he wanted it comparable to the current support prices. Madam Speaker, he wants the deficit

to grow but for a year-and-a-half they're talking about, how are you going to control that deficit. Now that they're in opposition — (Interjection) — Oh! More drainage from the Member from Emerson? More programs here? More roads?

Madam Speaker, and health care? More hospital beds and more CAT scans and more health care programs?

Madam Speaker, I have not heard one suggestion of repriorization from the honourable member. What they want is 10's and 20's and 30's more millions of dollars of spending, Madam Speaker. And then they say "Boy are you guys doing a terrible job with your deficit." Because that's really what they're saying.

Madam Speaker, totally irresponsible opposition is what we have in this province, totally irresponsible in terms of — the only one and even the Member for Morris, the financial critic, gets up and moves an amendment to a resolution and says that we have to consider the province's and our national ability to support financially these kinds of programs.

Madam Speaker, we should take that amendment and incorporate it in every resolution that honourable members opposite want to put in and ask us to spend more money. Clearly, that should be an area that the province should consider but it appears that they don't caucus on these things very often. So we'll be waiting to hear more from their debate and I would hope that there would be at least some rational and certainly much more in-depth analysis in terms of resolutions coming forward than they have in the past, Madam Speaker.

MADAM SPEAKER: Was the Honourable Member for Emerson wanting the resolution to stand in his name?

MR. A. DRIEDGER: Yes.

MADAM SPEAKER: The Honourable Member for Emerson, then.

The Honourable Member for Ellice.

MR. H. SMITH: Yes, Madam Speaker, I have some changes . . . (inaudible) . . . Committee of Statutory Regulations . . . (inaudible) . . . Dauphin substituting for the Member for Lac du Bonnet.

MADAM SPEAKER: Is it the will of the House to call it 5:30 p.m. (Agreed)

The time being 5:30, I'm leaving the Chair with the understanding that the House will reconvene at 8:00 p.m. in Committee of Supply.