

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 23 June, 1986.

Time — 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - COMMUNITY SERVICES

MR. CHAIRMAN, M. Dolin: The committee will come to order. We are on Page 33, dealing with item 3.(c), Resolution 31, Manitoba Developmental Centre.
The Minister of Community Services.

HON. M. SMITH: Just a brief statement. I understand that just before we adjourned, I inadvertently referred to residents as inmates. I apologize very thoroughly for that. It's not my mode of thinking and I do regret having made that slip.

MR. CHAIRMAN: The Member for The Pas.

HON. H. HARAPIAK: Mr. Chairman, prior to the supper hour, there had been some discussion on the Welcome Home Program. I want to preface my remarks by saying that I am a father of an autistic son, so I have some experience in dealing with the handicapped. I want to compliment the Minister on the initiative that she has taken in the Welcome Home Program.

There was some discussion prior to breaking for Private Members' Hour that the Portage Home was a great institution, that it was providing a needed service, but I think that you have to look sometimes at the needs and services change. I think that if we can come up with a better way of dealing with the handicapped, then we should be looking at that.

I think the initiative that the Minister has come up with is a better way of dealing with it when they can come into the community. It isn't very often that the community gets an opportunity to have an institution of this sort, or not an institution, but a home in their community.

I know there is an example in The Pas where there was a children's home being set up there. There was a real resistance to it coming into the community, but once it was established, there was great support from all the service clubs in the community and the community itself. There's a sense of pride in the community now that they are helping these underprivileged citizens of ours adjust, as close as they can, to normal living.

I guess I've had some experience with volunteering with people who have come out of institutions, and I think there is a time when they're afraid and they have fears of going out into society, but I think that's where we, as fellow human beings, have a responsibility to support them. They can adjust and become more comfortable with living in society. I have seen examples of it happening where, when given an opportunity, they become comfortable and they can adjust and lead somewhere near a normal life.

You can point to recent examples of where the Welcome Home Program has worked successfully, so

I think that you should be encouraged rather than condemned for taking the initiative in this Welcome Home Program.

MR. CHAIRMAN: Thank you.

The Minister wants to respond to a question asked earlier by the Member for Portage, and then the Member for Portage can continue.

The Minister of Community Services.

HON. M. SMITH: Yes, first I'd like to give the staff breakdown. There were questions about the staff and the programming. In the medical/nursing area: 6 medical, 380 nursing, 3 pharmacy, 7 physiotherapy, 3 nursing education.

In the program area: 12 psychologists, 7 social services, 15 vocational training, 8 in the teaching area, 6 in recreation, 1 in pastoral care, 4 in speech and communication.

In the support and administration: 7 on clinical records, 15 on admin. services, 50 on dietary, 40 on housekeeping, 30 on laundry and linen, 5 in personnel, 4 on staff training and development, 8 on mobile service, 1 on volunteer services, 3 on stores, 1 on fire safety and security. That makes a total of 618, plus 1 contract person and 47 contingency or term. The contingency and term are divided into 32.5 for medical/nursing, 0.5 for program and 14 for support/administration.

MR. CHAIRMAN: The Member for Portage.

MR. E. CONNERY: Is there a copy of that for us? There's no way we can write that down at that speed and we can't memorize it. Are there no copiers around that we could . . .

HON. M. SMITH: It will be available tomorrow. There's more material here perhaps than what you have asked for.

MR. E. CONNERY: Mr. Chairman, I object. You know we asked for information to be available to this committee so that we could study the Estimates and make an adequate commentary on the Estimates. The material is there; all we need is to have it copied. When the Minister had it, why can't the members here have it? When we're in a line of questioning, it's important to have that material.

MR. CHAIRMAN: Perhaps I can clarify for the member. Under the rules, there is no requirement for the Minister to respond at all. I think the fact is, if you wish, I would think, with the agreement of members, we can defer this item until the material is available and go on to other items. But just to make it very clear, as in question period, there is no obligation on the Minister to respond. The Minister has volunteered the information and says she will have it tomorrow.

If you wish to defer the item, we could consider that and if the committee is in agreement, we will do that.

HON. M. SMITH: It's got more information than he asked, but it's . . .

MR. CHAIRMAN: Okay. The Minister has just stated that she will get you copies of the information with the extraneous material, so if you want to go onto another subject while we're waiting for that.

MR. E. CONNERY: Do we have the names of the senior administrators or the positions of the senior administrators and those who are available in Portage outside of the daytime hours, not necessarily the names but the head administrator and then in sequence, and who are available on short notice?

HON. M. SMITH: I'll give you the administrative management coverage pattern. The executive management consists of a CEO, the administration, personnel programs and medical. They work Monday to Friday, 8:30 a.m. to 4:30 p.m. The central nursing office, which is staffed with Nurse 5 to Nurse 7 — there are levels of seniority, or at least experience and training, 7:00 a.m. till midnight, seven days a week. They handle emergencies and requests within their areas of competence. They retain a phone list of available staff to handle issues that could arise outside their jurisdiction, including the director of nursing, the assistant director of nursing, medical director or designate. They're all on call, along with all the others who could be called in, but they do have that list.

From midnight to 7:00 a.m., each unit has a unit supervisor on site, a psych nurse Level 5. Each supervisor has a phone list for decisions beyond the jurisdiction and, again, the phone numbers of assistant director of nursing, director of nursing and so on.

MR. E. CONNERY: Of the top three that you've listed, how long would it take them to be at the school in the case of a severe emergency?

HON. M. SMITH: They're probably all within an hour. They could be in phone connection immediately.

MR. E. CONNERY: I believe that answers my question, Mr. Chairman, that in the case of a severe emergency, the top administrators are some time removed. A phone call is one thing, but being on site to observe what is happening, I think is what is required; so the point is made that the top administrative staff are not available on very short notice to be at the site.

HON. M. SMITH: With respect, I said within an hour; there are some that are there in shorter order. I suspect the member is getting at the question of do these people live in Portage. I think we dealt with that earlier, that if they or their designate are there to deal with emergencies, that where they live is their business.

MR. E. CONNERY: Why was Portage singled out as the psych nursing school to close, instead of Brandon or Selkirk?

HON. M. SMITH: I think I provided that answer in the earlier statement I made about it. Our department is not in the business of training staff for delivery of

program. There was that one grouping where we were delivering the program, but it was in fact psych nursing in Manitoba as a generic training, with three special areas of expertise.

It's our belief that the consolidation of the training in the other two schools, and the community colleges and the universities are all deeply involved in the development of personnel, that was the best way to provide that particular type of training.

I have pointed out to the member several times that some provinces have actually done away with the psych nursing speciality. There was some of that fear when this move was made. We have assured the psych nursing groups that we expect them to continue to play a role in the differentiated pattern of health care delivery services in Manitoba. We've also outlined for them what the likely future job areas were in the three areas of specialization or of work locations that they are prepared for.

MR. E. CONNERY: Why is it that the graduates of Brandon and Selkirk are somewhat reluctant to work at the Portage MDC?

HON. M. SMITH: The only experience in the past has been when there was training in each of the three centres and each had developed a degree of specialization. With the consolidation we have been going through a revamping of the curriculum to include specialization or at least special theory and placement, sort of for everyone, plus some additional options for specialization at the MDC. We are not likely to see the results of recruiting for some time, but we do anticipate a slight surplus in site nurses until around 1989.

MR. E. CONNERY: I think it's fairly well agreed amongst the nursing people that it is more difficult for people to work with the mentally retarded than it is with the mentally ill, that the without hands-on experience and working at the Manitoba School, getting their training there and getting a gradual acclimatization to the mentally retarded, this is where they've had it much easier and have fitted into the MDC much easier. Does the Minister not agree with that?

HON. M. SMITH: There's a range of opinions about how nurses should be trained, whether it should be in hospital sites or in colleges and then take their practicum. In fact, in Manitoba, we've retained quite a lot of hospital base training and for this particular group of nurses what we have done is built into their curriculum theory relating to all three disability groups and practicum placement in all three.

MR. E. CONNERY: The students from Brandon and Selkirk will still have to come back to Portage for orientation. Where will the students and the staff stay when they come to Portage?

HON. M. SMITH: The nurses' residence will continue to function for about two-thirds of the year at what the required level is. Not all the nurses' residence beds are being phased out.

MR. E. CONNERY: But after this year, what's going to happen when those are phased out?

HON. M. SMITH: It's not planned that they all be phased out. We've said all along that the area where the nurses were and where the old school was is only being downsized. Accommodation is being retained so that all the people trained at Brandon and Selkirk spend some time doing practicum placement at MDC.

MR. E. CONNERY: What period of time will they spend at the MDC per year?

HON. M. SMITH: It's about six to eight weeks. We don't have the precise time.

MR. E. CONNERY: What will this residence be used for the other weeks of the year?

HON. M. SMITH: Well, since there'd be a rotation group keeping it busy about 22 weeks of the year, it would be vacant the rest of the time unless there was some special — you see in the training sometimes there are options that students can take — and if some opted for some practicum placement there, that's over and above their basic training, then it would be available for that purpose.

MR. E. CONNERY: So the Minister is saying that all of the people coming from Brandon or Selkirk will have residence space available at the MDC?

HON. M. SMITH: Yes.

MR. E. CONNERY: Where will the staff, to train the students while they're at the MDC, come from?

HON. M. SMITH: One will stay at MDC and in a sense deal with all the classes that come, and the others will travel with their classes.

MR. E. CONNERY: Since they will be travelling and so forth and staying away from home, won't that be fairly expensive?

HON. M. SMITH: The type of training required is the top priority and it's felt that the practicum placement is an important part of the training.

MR. E. CONNERY: What expert said that this was the proper type of training?

HON. M. SMITH: What? I didn't understand the question.

MR. CHAIRMAN: Could you repeat the question? We didn't hear it.

MR. E. CONNERY: What expert said that this was the proper training that the new program was on?

HON. M. SMITH: The negotiation as to the content of the psych nurse training was arrived at in a consultative process with the people who have been involved in the three schools.

MR. E. CONNERY: Who were the psych nurses involved in the program?

HON. M. SMITH: The psych nurses, as they relate to the faculties that are involved, there was initially some contention by them that they were in charge of the content of psych nursing; and reading of the legislation, in fact, did say that they had a right to be consulted and to have input into the content but not necessarily to the location and where the instruction would be given.

But meeting with the Psych Nursing Association, they maintained that the two-year training program was to train a generic worker. They all pass the same exams and are equipped to work in any one of the three major locations. If over and above that they choose to specialize in a particular area of work and pick up further training, then that's certainly encouraged, but the basic training is the generic training.

MR. E. CONNERY: Is there provincial staff of psych advisers, etc.?

HON. M. SMITH: I think the only provincial people would be the faculties of the psych nursing schools and then the organization of psych nurses themselves.

There has been a general review in the Department of Health which you might want to ask the Minister of Health about as to the people power needs in the nursing field and health care throughout Manitoba for the future. That was where the determination was made that the differentiated pattern of LPN's and RPN's and RN's and, indeed, some advance training for RN's would be retained in Manitoba.

That hasn't been the case in every province across the country. In some areas, this specialty has disappeared, and some of the apprehension of the psych nurses was related to that; also, I think it's in Ontario it's disappeared. In Saskatchewan, all the training is done through the community college and there's been quite a debate going on among nursing professionals and health care experts as to what is the best way to train nurses. In Manitoba, we've gone for the mixed mode, I guess you would say, hospital-based, with some of the more advanced nurses taking more of their theory at universities. There's quite a few different levels, as you no doubt know, in the nursing profession.

MR. E. CONNERY: There used to be a Dr. Lowther at Portage la Prairie who was very involved, in fact, one of the leaders in the Welcome Home Program, and I believe he's on your staff. What is his position with the psych nursing school closing?

HON. M. SMITH: Dr. Lowther is a person who has done a great deal in the field of mental retardation. He is currently on our staff as a medical consultant on a case-by-case basis. There is a wide range of knowledge and expertise in the field now. I don't personally know where Dr. Lowther stands on all the issues. There's quite a range of experts now in the field and, like experts in any other field, they don't all see eye to eye on every issue, but there is a general movement over time away from the exclusively medical model to the more community based model.

MR. E. CONNERY: There's an article that was in the "Portage Daily Graphic," and I don't have the date but

I think it was a year, year-and-a-half ago where he really was very concerned over the closing of the psychiatric nursing school. It says here that he's the Chief Medical Consultant to the Provincial Department of Community Services.

HON. M. SMITH: I understand how the member might think that he would be the only person to comment on medical matters. In fact, he's a consultant on individual cases; he's not a consultant on all the services to the whole system of services to the mentally retarded.

MR. E. CONNERY: Can the Minister tell me why, according to the reports that I have, that the level of academic achievement at Portage was higher than that at Brandon and Selkirk?

HON. M. SMITH: I'm sure there are many, many reasons for comparative performance at different schools. Again, the consolidation of the three schools into two will hopefully bring the standard of all three, what was all three, for all the students up.

MR. E. CONNERY: Or will it lower them all down to the lower level? That is the concern. If Portage was a good school, why wouldn't it have been kept open?

Also can the Minister explain why there was a much higher attrition rate at Brandon and Selkirk compared to Portage, double or more at Brandon and Selkirk compared to Portage?

HON. M. SMITH: Well, again, the factors of comparing the three schools, I'm sure we could develop a long list of factors in which some would be up in some areas and some in others.

Again, the decision to consolidate was not based on one being bad and the other two being good. It was based on a notion of consolidating training for an appropriate number of psych nurses to meet the expected need in that field in the future. It's irresponsible of us to go on training larger numbers than we think the system is going to employ, and it's irresponsible of us to try to carry on fairly sophisticated training in too many locations.

Now the member may disagree with the particular consolidation pattern, but I think the intent was to strengthen the program all around and to be fair to the people being trained, that they would, in fact, have a training which would enable them to be mobile and to achieve employment in the next decades. Because when we train, we don't train for yesterday or even today; we train for tomorrow and several decades to come.

MR. E. CONNERY: Well, if the Minister had three cars and two of them were in bad shape and one was in good shape, would she trade off the good shaped one? It just doesn't make sense. The figures are there, the facts are there, that Portage was a very good school of nursing, and we've closed the best school of nursing. I find it very difficult to comprehend the logic behind that.

HON. M. SMITH: Well, I think on this, we just may have to agree to disagree. I think the judgment that

one school was great and the other two were rotten is extreme and unfair. I think there are some criteria that are being cited; there are other criteria, but the overall purpose was to consolidate and strengthen.

MR. E. CONNERY: I want to go back to the term employee. Did you get the information on term employees and what length their terms are, etc.?

HON. M. SMITH: We had only the total number, not that amount of detail. I can get that for you for tomorrow.

MR. E. CONNERY: Okay, in the overcrowding area, we discussed it a little bit, that some of the areas are overcrowded. If I remember, we had so many postponements on stuff that we couldn't get answers on. Westgrove, we have indications there are 23 residents where there should only be 15. Is this a fact?

HON. M. SMITH: On the overall issue of overcrowding, I'll repeat what I said before. There were 1,100 at Portage. We now are slightly over 700 with the same space; so the overall allegation of overcrowding is, I don't think, justified.

As for the capacity of individual buildings, again, we're looking up that detail, but again the member is quoting from — I don't know where he is quoting those figures from. We could either carry on while we look up that information, or just hold for a minute while we find it.

Westgrove is one of the larger buildings and its capacity is 150. The names that you are using and the standards may apply to some of the cottages, because I don't think any of the main buildings are of that scale. What we do have are the main names of the residences and their numbers.

Again, I don't know where the member has drawn his notion of standard. As I say, we are using a building that did hold 1,100. We now have it down a little over 700 with a goal of 550. There are in fact 210 in cottages, 188 in Southgrove, 120 in Northgrove, 45 in Eastgrove and 150 in Westgrove, totalling 713.

MR. E. CONNERY: What is the standard set by the school for the square footage per resident when there are two or more in a room?

HON. M. SMITH: Again, the type of detail that the member is asking is so far apart from the reality there. Many of the people at the school have been living in large dormitories. As I've said, the same space that did house 1,100, we now have down to a little over 700, with the goal of 550; so the space available to each person is on the increase.

Again, when you ask about standard, we're building in our standards with the new facilities that we're putting into group homes, and so on; but when you deal with an old facility that has had a great many people, in a sense, you just keep improving and improving. So we aren't operating so much with a standard, as trying to aim at the best quality we can get there.

MR. E. CONNERY: Is the Minister's staff not aware of the standards and procedures at the Manitoba School?

HON. M. SMITH: Well, we can obtain square footage and provide that for you later. It's our belief that as

we're making more space available to people in a more varied program, and as we are improving the staff ratios, that they are more critical components of quality.

MR. E. CONNERY: Well, the memo, which the Minister doesn't seem to get from the MDC that I seem to get, the centre has set an ideal requirement of 60 square feet per person where there are more than two beds in a room. The Fire Code Table 31-1-14(a) says that the minimum will be 50 square feet per person. Can the Minister assure us that there is at least 50 square feet per person, if not, 60?

HON. M. SMITH: We are aiming at 120 square feet per person, and we're way in excess of 60 square feet at the present time.

MR. E. CONNERY: That, according to the reports that I have had and information coming out of there, has been fairly accurate. I would hope the Minister would check on that and verify that that are the facts of life because I'll be checking also to verify it and I hope that the Minister isn't wrong.

When we're looking at the people moving out into the community out of the Manitoba Developmental Centre, and we see the physiotherapy and the nursing, the vocational training, the teaching of pastoral care, speech and communication therapies, how does the Minister feel that the residents that move into the community are going to get the quality of service that they are getting at the Manitoba Developmental Centre?

HON. M. SMITH: It's part of the planning process that we ensure that we give people equal or better service in the community to what they had in the institution. The vocational training, there must be a day activity program planned, and we've been working with our workshops to develop standards there and get plans for appropriate expansion and identify the different levels of need.

The total system of service delivery in the community is being developed. There is work with medical people. There is a crisis team that is going around dealing with behavioural problems. There's a lot of training programs going on of people. It's a total support system that is being planned and developed.

I did refer earlier to the four speech and communication people who would be moving over to the regional operations during the year.

I guess the basic question that I would like to — again, maybe it's not appropriate for the Minister to throw out a question, but when I'm put in the position of answering a long line of questions, I really would like to ask the member whether he is trying to say retain institutionalization at any cost, or is he saying a more mixed program is okay, provided it's well done? It would help me a lot if I knew which position he was adopting.

MR. E. CONNERY: The concern that I have, and I think that our party has, is not whether we keep the facility at its level in Portage la Prairie because it provides jobs; we're concerned that the residents get the best care for them.

But there is a real concern that moving people in these numbers into the community that in effect they

will regress. The results over the past years, unless the program is just radically upgraded, people have come back into the Manitoba School after two or three years outside, and have regressed so far that it took several years to get back to where they were.

So we've seen the results of them going into the community where they weren't properly supervised, they weren't in adequate homes, and I don't think that this province has the money to be able to do what the Minister is saying.

First of all, would the Minister tell us what towns they're looking at moving people into and what kind of a spread?

HON. M. SMITH: I have for distribution a list of the program planning that's in place for the next period of time for 137 people. Now, this doesn't name all the towns that currently have community service for their disabled, but I will name the towns. Remember that this whole process is organized by region, and there are local regional teams, both staff and volunteers in the area, who are working to identify people at risk and also MDC clients who can move out. In preparing plans for residential care, for vocational care, for medical care, the whole 24-hour planning, the towns where the residences are — well, we can distribute it.

Just to put it on the record, I'll just run through quickly: Somerset, Winnipeg, Grandview, St. Malo, Winnipeg, Winnepigosis, Stonewall, Winnipeg, Altona, Portage la Prairie, Austin, Winnipeg, Kildonan, Winnipeg, Winnipeg, Winnipeg, Winnipeg, Winnipeg, Swan River, Winnipeg, Winnipeg, Winnipeg, Brandon, Winnipeg, Winnipeg, Brandon, Brandon and Riverton.

In other words, each region is developing their residential program to meet the needs of their particular population.

MR. DEPUTY CHAIRMAN, J. Maloway: Mr. Connery.

MR. E. CONNERY: I asked earlier, in the physiotherapy sector, what sort of facilities are at the Manitoba School. Did they have the hot water relaxation and that sort of thing at the Manitoba Developmental Centre?

HON. M. SMITH: No, we haven't had the hydrotherapy.

MR. E. CONNERY: When we look at the number of towns that the residents are going to go into, is the Minister going to increase the number of support staff significantly?

HON. M. SMITH: Please repeat it; I missed the question.

MR. E. CONNERY: How does the Minister feel that the number of people that we have can cover that territory, or are you going to increase the numbers of support staff significantly?

HON. M. SMITH: I think, when we get to item (d), we can talk about the support staff in the field, remembering that the mental retardation workers will be very actively involved in the planning and monitoring, but the service delivery will be usually by arm's-length community groups, so they won't show as staff on our staff. Actually, the mode of payment is per diems based

on level of care and type of activity, and then that is managed by local boards or foster parents or whatever.

MR. E. CONNERY: As the number of staff is reduced at the Manitoba School, what is the schedule for reducing the administrative staffing?

HON. M. SMITH: Proportionately.

MR. E. CONNERY: Is there a plan in place? Do they know which ones, like not necessarily what person but what staff person will be going?

HON. M. SMITH: We aren't publicly designating positions but we have target numbers, proportionate ones, and then it'll be a personnel management process because normally we don't like to dismiss people; we like to, by attrition, manage the downsizing or the redeployment.

MR. E. CONNERY: Can the Minister tell us how the committee that decides if an individual should go into the community and then discusses it with the family, how this committee works, how it's structured?

HON. M. SMITH: I'd like to, before I get into that, just table the Welcome Home fact sheet so that you can see the distribution by region just so that when you see this sheet which identifies the people for whom planning is proceeding well, the first sheet I gave you identifying the residences in the towns is a Manitoba housing approval list; the other list is the one that shows the individual planning and it is a longer list than the housing approval list.

Now you asked about the process used for identifying. We set up a provincial committee made up of staff from the department and representatives of provincial advocacy organizations. They were responsible for setting the criteria and monitoring the regional plans.

The regional committees were set up, again, with regional staff and with representatives of advocacy groups in each region. Their task was to identify people at risk in their community of institutionalization if they didn't get better support services, at the same time, to start in a consultative process with the MDC to identify people who could move back from the institution and the criteria were that the local team was to work with the parents and the community. Only where there was agreement would the person from the centre be moved.

MR. E. CONNERY: Has the Minister talked to the two people that I named that felt they were being bullied or coerced into having their relative moved into the community?

HON. M. SMITH: Yes, the other day — I haven't talked to them personally but I have this information about them. Again, I won't give names but you did refer two specific names to me alleging coercion or failure to take family wishes into account.

The first person has a sister who is a resident at MDC. This person had been involved in the 24-hour planning. She'd been contacted with respect to a specific placement and refused to agree to that

placement. She did, however, want to come out to participate in the planning and did so. She subsequently refused to agree to the plans which were then suspended. The resident was subsequently taken off the placement candidate listing and remains at MDC.

The other person has a resident daughter who had been previously discharged. Her placement had broken down and she's one of the few recent readmissions to MDC.

You may recall I gave you the numbers of readmissions over the past few years and although we are bringing the numbers down quite dramatically, there is still the occasional need to readmit. We've never said no one should be readmitted; we've said provide support to the extent you can in the community but if it is deemed desirable, then readmit.

The parents feel unsure at this point about making another subsequent attempt but want to continue participation and planning. They've agreed to review specific placement plans when and if these occur. Meanwhile the resident remains at MDC.

Again, if this member or any other members have any concerns about coercion, I urge them to get in touch with us because we've specifically put the criteria into the program and instructed all our people working with the program that coercion not be used.

MR. DEPUTY CHAIRMAN: The Member for Brandon West.

MR. J. McCRAE: As I understand it, we're still under Manitoba Developmental Centre — (Interjection) — I have been coming and going a little bit, is that correct?

MR. DEPUTY CHAIRMAN: That's correct.

MR. J. McCRAE: A little while ago, the Member for Niakwa was talking about the far-reaching effects of

MR. DEPUTY CHAIRMAN: Could the member use another mike? That one doesn't seem to be working.

MR. J. McCRAE: Mr. Chairman, a little while ago the Honourable Member for Niakwa referred to the far-reaching effects of the decisions made respecting the Manitoba Developmental Centre. In that connection I'd like to ask the Minister a question about COR Enterprises in Brandon — Am I coming through, Mr. Chairman? — Is Brandon the only location of COR Enterprises?

HON. M. SMITH: Yes. There are many non-profit community organizations delivering day activity and pre-vocational/vocational training to different groups of disabled. COR is the only one of its group, in other words, it's not part of a chain but there are similar-type organizations in many other communities.

MR. CHAIRMAN: The Member for Brandon West.

MR. J. McCRAE: Last week, Mr. Chairman, the Minister handed out these sheets breaking down funding to the various community social agencies. I take it COR Enterprises would be one of those administrative grants to occupational activity centres?

HON. M. SMITH: The mode of funding vocational centres is by a combination of administrative grant and then per diems based on level of need for their individual clients.

MR. J. McCRAE: Can the Minister give us broken-down figures for COR Enterprises in Brandon for '85-86 and '86-87 including the grant plus the per diem?

HON. M. SMITH: The specifics, I can get for you for tomorrow. What we're doing with all our workshops is trying to convert them to a similar type of funding. In the past they've been all over the map; partly because of the way, as I described earlier, a lot of social services have just developed here and there, depending on local initiative and they've negotiated different types of funding. What our aim is is to get them all on a type of grant that gives them an admin grant and then per diems based on level of need. The standard approach to the per diems that we're trying to get sort of regularized right across the system, \$8 per person was the average. If people go through the standards that have been developed here by the Manitoba Council for Rehabilitation and Work in cooperation with us, if they meet the standards that are now in place, they qualify for \$10 per diem, unless they're severely handicapped, in which case they can get up to \$20.00.

We're trying to get the combination of administration, because to a certain extent it doesn't vary on a strictly pro-rated basis, and then a series of per diems.

MR. J. McCRAE: Mr. Chairman, similarly now, ARM Industries is listed under Community Social Services in this handout that the Minister gave us. Is it a similar situation for the funding for ARM Industries?

HON. M. SMITH: Yes, we did hand out that list before, but we said at that time that some of the grants were straight grants; some were on a different format. It was for work performed or something like this, admin plus per diem. The questions that you're now raising about workshops would be more appropriately dealt with under 3.(d) Programs.

MR. CHAIRMAN: The Member for Brandon West.

MR. J. McCRAE: Mr. Chairman, I expected that comment would be coming either from the Minister or from you. In trying to make it relevant, I will ask the Minister now if she knows how many inmates, or residents I should say, of the Manitoba Developmental Centre are now enrolled in the COR Program in Brandon? Is that information available?

HON. M. SMITH: Again, I don't know if the member is asking an historical question, in which case it would take a fair bit of research to see how many are there who had at some point been at MDC, or whether he's referring primarily to our Welcome Home thrust.

MR. J. McCRAE: Mr. Chairman, I'm referring to the Welcome Home thrust, I'm sorry.

HON. M. SMITH: Okay, we can get that for you tomorrow. We don't have the details.

MR. J. McCRAE: I would thank the Minister for that.

The point I'm making, Mr. Chairman, is that, as I understand it, there is a waiting list of a considerable length for people to be enrolled in the COR Program in Brandon, and if there is a flood of people coming from the Manitoba Developmental Centre into our COR Program in Brandon, certain people who are in the Brandon area, or in the Westman area, they'll be victims because that waiting list will grow longer.

I know of one example, Mr. Chairman, of a person who has to stay at the Assiniboine Centre and wait for a considerable length of time to get into the COR Program. I just think that what we're doing is we're not considering the far-reaching effects referred to earlier and that other programs are going to be stretched to the breaking point because more people will be wanting to get into the system.

HON. M. SMITH: If the premise the member made was accurate, then his conclusion would be, but the premise is not accurate. We don't move anyone out of MDC until we have a plan for the day program or vocational placement. When we discuss the vocational rehabilitation, we can refer to the gradual expansion of that system, but we aren't expecting there necessarily to be enough places without further development. So we're working with that group, as well. No one could leave MDC until that plan was in place.

I think the problem in the past with deinstitutionalization, in the whole range of the disabled, was that often people looked only at, well, with the mentally ill, perhaps with managing the symptoms with drugs or whatever, and possibly at the residential placement, but not at the 24-hour needs, day activity, recreation, transportation, whatever.

Our approach is to build in the 24-hour planning, seven days a week supports before we move anyone out.

MR. J. McCRAE: Mr. Chairman, I believe that answers my question satisfactorily except that I might ask the Minister, can she guarantee those people in the Westman area, who require the programs offered by COR, that residents of the Manitoba Developmental Centre will not displace them on any waiting list?

HON. M. SMITH: I repeat that the MDC clients won't move unless there is a plan.

Now, the overall sufficiency of supply in vocational rehabilitation services is being dealt with by promoting the developmental day programming in an area so I guess the only potential might be if there was some prioritization between post-mentally ill and mentally retarded, or whatever, because ARM has a bit of a mixed population but it's primarily mentally retarded. Again, we realize the need to expand that type of programming and that is being synchronized with the Welcome Home.

MR. J. McCRAE: The only point I make, Mr. Chairman, is that there are people who would like to work their way from the COR Program to ARM, which means that people are a little better in control of their faculties once they've got to the ARM Industries Program. It seems that the best way to go is that people who are

ready to go to COR, and they're on the waiting list, shouldn't be bumped because what they're doing, while they're waiting, is absolutely nothing, and wasting their time. In terms of their own rehabilitation, time is being lost and in some people's cases, that lost time can put them into deeper throes of desperation. That happens when people lack orientation; their memory is impaired. They're not ready to go to the ARM Program but are for COR; and if COR isn't available, then they're caught in a bind.

HON. M. SMITH: Again, if you run into an individual case, then let us know. We'll see what can be done.

The idea of the vocational is to not keep anyone who is able to be placed in a business or service area. Not everyone will be able to go out into some type of integrated workplace but the goal is to have as many as are reasonable to move out. So it's a case where the local community can really help show the way, and some communities have responded really well by taking one or two, sometimes with a support person, into the private sector. It's that sort of total spectrum effort that we're looking at.

MR. J. McCRAE: Mr. Chairman, I thank the Minister for that answer. I do have a case that has been brought to my attention and I will raise it with the Minister privately.

Thank you.

MR. CHAIRMAN: The Member for Niakwa.

MR. A. KOVNATS: Mr. Chairman, one last question. I had asked some other questions earlier in the afternoon and I don't mean to prolong it but to get back to the psychiatric nurses — I have some questions on group homes but I guess that will be in the next section.

The psychiatric nurses, I would believe, would receive some on-site training with some of the residents of the Portage Home. I would think that this would be of great, great benefit to those nurses, to be able to work with children and people, residents of the home, because I know it's not all children, and in return, also being of great benefit to the nurses, it would be a great benefit to the residents.

With the nurses being removed from Portage, how will the benefits that I was talking about, that were accrued to the patients at Portage, be supported? Are we hiring more staff to look after these residents, from the lack of staff because of the removal of the psychiatric nurses from the school?

HON. M. SMITH: There are two parts to your question. All these students who are training now at the Brandon and Selkirk courses, will spend six to eight weeks practice and placement at the MDC. They may also go for an additional optional practicum if they choose. They will as well get theory on mental retardation in their course. In terms of staffing impact, nurses in training, although they may enrich a program, are not generally relied on to provide the basic care. They're there in a training educational sense, not as the staff displacement.

MR. A. KOVNATS: The only thing that I can suggest, you know, if it was a cost-saving feature, I can't see

the savings in financing if we're going to have to bring psychiatric nurses from Brandon and Selkirk to Portage to do the work that the psychiatric nurses were doing before with this on-site training. So I don't think we can use it as a cost-saving feature.

HON. M. SMITH: I did read into the record earlier the saving. It's our belief that the consolidation of the schools will in fact strengthen the training of all three groups, and in fact give the trainees versatile training for the future so they will be equipped to handle the shifts in demand for the next decades, because they will have the training that will enable them to go into any one of the three areas where psych nurses are used in large numbers.

MR. CHAIRMAN: The Member for River Heights.

MRS. S. CARSTAIRS: Mr. Chairman, I'd like to return to a couple of issues, one being the nursing school and the other the whole question of overcrowding. If I heard the Minister correctly, she said we have in fact had 785 residents in recent times at the Manitoba Developmental Centre. Is that correct?

HON. M. SMITH: Well, 1,100, that was the peak.

MRS. S. CARSTAIRS: That was 1,100 some couple of years ago but I understand that in the last year or so the height has been about 785.

HON. M. SMITH: It's been going down since the peak of 1,100 so unless you were more specific about the years it's difficult for me to give a . . . If you want to go year over year we have that data.

MRS. S. CARSTAIRS: Well, I don't think I want to do that. But earlier this afternoon when we were talking about staff years the Minister herself used the figure 785 residents, 726 staff years and I thought that was the figure, either early in '85 or '84.

HON. M. SMITH: October 1984.

MRS. S. CARSTAIRS: October 1984. So we're really in fact talking about almost two years of a staff or of a resident population of 785 or less.

Well, in the last couple of months we have in fact moved 120 residents out of Northgrove. We are down now to a complement of 721, by some figures 713; it really isn't significant. What it means is that some additional 50 residents have been placed in cottages, Southgrove, Westgrove or Eastgrove, over what were occupied since October of 1984. Perhaps this is the reason why the staff is now complaining about overcrowding. I don't think it's a comparison with 1,100; I think it's a comparison with more recent figures.

HON. M. SMITH: The capacity of Northgrove was at 220 but in '84 it had around 200; and in June 1986, 118; so that's 82 reduction, and then the overall reduction was 75 so there's a difference of seven distributed throughout the whole institution.

MRS. S. CARSTAIRS: Well, let's go at it another way, Mr. Chairman. We had 785 spread among four buildings

and cottages. We are going to lose 220, which gives us a total decrease of 465, but in fact we're going to have 550. Now my figures come from 785, your figure of October 1984; 220 who will in the next little while in order to meet fire marshal regulations, we are going to eliminate 220 residents at Northgrove; that would give me a figure of 465. We're not going to have 465.

HON. M. SMITH: 565.

MR. CHAIRMAN: 565, pardon me for correcting your addition.

MRS. S. CARSTAIRS: Thank you. We're going to have 550. Is that right?

HON. M. SMITH: Again the 550 was the target initially as a minus 220 but it was based on our population. The population has fluctuated or was fluctuating, 565 is what we can now see as achievable by next March. We thought of 550 as a rough target levelling off figure but we haven't got it engraved in stone anywhere. It could be a bit higher or a bit lower, it might fluctuate year by year.

MRS. S. CARSTAIRS: With regard to the nursing school, perhaps I misunderstood earlier statements by the Minister, but it was my understanding that one of the reasons for closing the nursing school at Portage was that we were overtraining and that the department didn't think it was fair to train women and men in a career for which there would be no potential job placement. But then I heard the Minister say that we were increasing numbers that we were going to train at Brandon and at Selkirk. Now, how do those figures become reconciled?

HON. M. SMITH: I know it's confusing. The psych nurse specialty within nursing is primarily found working with psycho-geriatrics, the mentally ill and the retarded, and the mentally disabled.

In future, as far as we can project, the demand for psych nursing in psycho-geriatrics will go up because we're living longer and there's more of that type of ailment with an older population.

The demand for the mentally ill will stabilize or go down slightly as we develop more community options in that system, and the demand for psych nurses for the retarded will go down somewhat.

The total number of psych nurses will be somewhat the same but the mix within will shift. We believe that since these projections are best guesses and we live in a human world that sometimes brings us surprises, that it is wise to train psych nurses now to be able to have the basic skills to work in any one of those three areas, that they can also accommodate a preferential training within that basic training.

MRS. S. CARSTAIRS: With regard to the staff breakdown, there were for '85-86, 384 nursing staff which I understand are not all psychiatric nurses and I do understand that; but that nursing staff is going to save for '86-87, a some 380.

In a discussion with the Director of Nursing at MDC, he assured me that the majority of psychiatric nurses,

in fact almost all with very few exceptions, came from the Manitoba Developmental Centre School of Nursing and that they have been, until this year — and they see no reasons why it will not be this year — be able to place all of their graduates. They have never had very many applications or work at Portage from either the Brandon School of Nursing or the Selkirk School of Nursing.

Is the Minister not concerned that if there is not a nursing school at the Manitoba Developmental Centre that there will not be trained people to fill the jobs which naturally come about through attrition?

HON. M. SMITH: One of the reasons that the non-application and the attempt to stay in the town where they were trained developed was that the three different schools were starting to develop rather different specializations.

In the consolidation, what has happened is that the curriculum has been required to become stronger and more balanced between the three work areas that are available in the future. All of the students — not just the Portage group — but all of the students will be required, as part of their basic training, to spend six to eight weeks at the MDC. In addition, they will have a strong theoretical component in that field; so the training for all of them, in a sense, is being strengthened in the mental disability, mental retardation area.

MRS. S. CARSTAIRS: Mr. Chairman, has there not always been a practicum at MDC for nurses trained at Selkirk and Brandon?

HON. M. SMITH: Not as long, and the theoretical part, has not been as well developed. Again, it's a debate that's gone on throughout nursing as to whether workers are always supplied from local training or whether there is another type of training that can be done at various centres, such as community colleges, and then people in our mobile society find work by going where the work is.

We think we have a viable arrangement now. We'll be watching it very carefully. Should there be any difficulty in recruiting, we can take remedial measures; but training in the actual town is not the only way to achieve job entry.

MRS. S. CARSTAIRS: One final question, and I realize it's to some degree outside of her department's purview, but has there been any consideration to what additional costs might be accrued to the Brandon and the Selkirk schools because of their increased class enrolment?

HON. M. SMITH: That was worked into the consolidation planning. I should add that we are not sure we can guarantee all the graduates of this year's class from MDC, a job at MDC. In other words, we've already hit a slight oversupply situation. It'll depend on attrition and so on, which is never precisely predictable.

MRS. S. CARSTAIRS: That was true last year too, as I understand it, but within four months of the graduating ceremony everybody was placed at the Manitoba Developmental Centre.

When these input costs — and I really do promise, this is the last one — when those costs were put into

the consolidation figure, were they also deducted from the so-called saving that we're going to have as a result of the closure of the nursing school?

HON. M. SMITH: Yes, again the measure had some element of cost saving and some element of improved training. A province of this size to have three separate schools training that number of students just did not seem to us to be practicable. Our department is not generally in the job of training nurses and the consolidation did seem to have merit.

MR. CHAIRMAN: The Member for Portage la Prairie.

MR. E. CONNERY: Mr. Chairman, we talked about the crowding and we have some difference of opinion whether there's crowding or not at the Manitoba School. I believe I'm right.

Is there air conditioning at the residences?

HON. M. SMITH: This is Dr. Larry Hardy, who is one of our resident experts in the field. He has worked at the centre and is now responsible for a lot of the direction in the Welcome Home area.

There is air conditioning in the dining room, in the medical ward in Westgrove and there are a few window air conditioners throughout the building, but the total facility is not air conditioned.

MR. E. CONNERY: I'm told the temperature on warm summer days can go as high as 37 degrees Celcius in some parts of the facility. That was before they moved extra people into it.

HON. M. SMITH: We have hot summers. Again, it may be a desirable goal to have all public buildings air conditioned. As I say, it's just the state of where we're at.

MR. E. CONNERY: Just as a comment, I'm told that the now-closed-down dairy barn had a better air moving system than the facility had for the residents, which I think is a pretty tragic commentary.

In the evening, what is the maximum number of residents to a qualified person in the night shift, to be on hand?

HON. M. SMITH: The minimum ratio of staff is one to 15 and we have never been below it in recent years. There is a total of 56 people on staff during the nights. That would be nursing staff, 41; 12 housekeeping; two in the powerhouse; one on the switchboard, for a total of 56, and the minimum requirement is 47. It's checked every night and we use casual or overtime staff wherever necessary, if there's illness or vacation. We're never below the minimum ratio and generally exceed it, substantially.

MR. E. CONNERY: What is the maximum then that can be looked after by one individual?

HON. M. SMITH: One to fifteen.

MR. E. CONNERY: I asked the maximum.

HON. M. SMITH: That becomes the maximum. It's the minimum staff ratio, so that means it's the maximum

number any one person would ever have to deal with; but we're usually in a better ratio than that.

MR. E. CONNERY: It's been brought to my attention that there are at times as many as 30 residents to one staff member.

The concern then becomes the Northgrove residence, which is in the process of being closed down.

HON. M. SMITH: These ratios are based on the number of bodies that are available to help, on the staff that are there to help in the event of a fire condition. Again, if the member has evidence of that not being the case, I'd appreciate it if he would bring it forward.

MR. E. CONNERY: I think I mentioned that it's been brought to my attention . . .

HON. M. SMITH: That's a vague allegation.

MR. CHAIRMAN: If I could just perhaps interrupt the member, the Minister gave a figure — this isn't a place for dispute — you are suggesting that you have other figures. The Minister suggests that if you can bring it to her attention that she would consider it, but the Minister gave the figures that she has from her staff, so I think this is not an item or an appropriate place to dispute information.

The Member for Portage.

MR. E. CONNERY: I would request then that the Minister go back to staff and check to ensure that the ratio of 15-1 is in fact the maximum.

But keeping in mind the powerhouse people and so forth are not at the residence themselves, and in a case of an emergency there would be loss of life. I think the reason that I was concerned about this, especially with Northgrove, and I think the Minister now has copies of the confidential memo — well, it's not a confidential memo to my knowledge.

The memo was brought to my attention that during a fire drill in this building on November 18, 1985, "difficulty was experienced with the locks on doors leading from ward to ward by myself and personnel from Government Services. The doors themselves are badly in need of repair and should be replaced to standards of the fire and building codes and be equipped with magnetic locks and panic hardware connected to the fire alarm system." The memo ends, "It is in my opinion that this building is not safe for the habilitation of residents in its present state."

We have one concern that there is far more than 15-1 ratio of residents to staff. On top of that we have a facility that in itself is very safe. If there is a situation where they're moving out and it was cosmetics, painting or even new shades or whatever that was needed, that is something that could be postponed, but this is fire safety and in a case of a fire we could lose lives. It would appear from statements of the Minister that she's prepared to risk that.

HON. M. SMITH: I think the member has heard me speak on this issue many times before. I repeat the challenge that I put to him once again. If he has any specific allegation to make — a name of a person, a

time and a place — I will look into it, but vague allegations, I submit, are not responsible on his part.

Now I am currently distributing two papers: one that gives the Northgrove fire and safety upgrading and the key points about it; the other that has notes on the specific memos that the member sent to me.

He may recall that when he raised the issue in the House, I said that I would check into the memos but what I suspected was they were a selection of memos that did not give the context or the full range of memos. Now in my notes there is an explanation for the sequence and the substance about each of those memos.

I can read the entire two pages into the record or the member may read them, but I think he will find that there is an explanation. For example, the one about the door that stuck, there was one door that stuck and it was fixed that day plus the standing order that should any problem be had with the twice-monthly fire drills, that the doors were to be given top-priority attention.

There was also a series of negotiations with the Fire Commissioner raising all the issues that the memo from their particular fire and safety person raised. The Fire Commissioner agrees that the actions we have taken are sufficient to protect the residents for the period of time in which we will continue to occupy Northgrove.

The fixing of those locks was going to require changing the door frames, not just installing locks that could then be replaced.

Again, if the member wishes, I could read the entire four pages into the record or he may read them and raise any questions he has.

MR. E. CONNERY: When was the Fire Commissioner with these last discussions — when did those last discussions take place?

HON. M. SMITH: As the member will see in the notes on Northgrove letters, Item 3, the Fire Commissioner did know about the locks and did concur with the decision not to proceed at this time. This was last winter when the incident that was being referred to took place.

We have had another go-round with the Fire Commissioner and he agrees with the measures we are taking. He did suggest one or two minor additions, but he agreed that the total package of measures that we have taken are appropriate for a building that is soon to be demolished.

I refer to Point 3 on the Northgrove fire and safety upgrading where it says there are standpipes and hose systems checked, nozzles replaced with updated plastic adjustable nozzles, all obstructions in hallways and stairs are removed, one-stage fire alarm system connected to the power house in the local fire department, new pull stations installed, smoke detectors installed in high-risk areas — more are being installed now, fire drills are held twice-monthly, a metal cabinet is provided in the elevator room, all unnecessary combustibles are cleaned up, approved-type extinguishers in all recommended areas, and night staff are on duty at all times to required ratios.

MR. E. CONNERY: When was this meeting with the Fire Commissioner, this last one? I think I missed the date. Did it take place after I raised the question in the House?

HON. M. SMITH: After the question was raised in the House, we got a report on all the series of meetings and communications to respond to the ones that the — the member submitted a couple of memos. He didn't have the total series of them.

We had dealt with the Fire Commissioner last winter. He knew about the particular problem with the locks and concurred with our decision. So we had met with him, I presume it would have followed shortly on the memo from the fire and safety officer there who referred to the locks and reviewed the plan that we had to see and reassure ourselves that we had appropriate protection. To be doubly sure, we have met with him again just recently to double check because the last thing we want is to expose people to undue risk of fire.

MR. E. CONNERY: The Fire Commissioner, did he get copies of these memos through this process in time? Was he kept aware of what was going on?

HON. M. SMITH: Yes, he received the memos but he also sent some back. The list that you gave us was not a complete list of exchanges. You had some select ones but you didn't have the total series, you didn't have the sequence.

MR. E. CONNERY: Why did the Fire Commissioner, when made aware of what was going on, say that he would have to take another look at it? He didn't make any indication that he had the memos. I phoned the Fire Commissioner's Office myself and talked to Mr. Thorimbert. He gave no indication that he had copies of these memos and told me personally that he had not received them from the department and he would look at them when he received them. So I mailed copies to him of what I had.

HON. M. SMITH: The people at MDC, when they saw the memo from the fire and safety person, checked that the locks were in fact being dealt with, if they should stick, and then they checked with the Fire Commissioner that the plan that we had for fire safety, and not replacing those locks at this time, but putting in the other safeguards, were in fact in place.

Now, there is a relationship between the Fire Commissioner, Government Services and MDC. I asked the Government Services Minister, who has also given me a series of communications with the Fire Commissioner, and he at all times feels that he was being informed and was supportive of the provisions that we have taken.

MR. E. CONNERY: Is it part of the routine that any memo to do with fire safety, especially the one at Northgrove, goes immediately to the Fire Commissioner's Office?

HON. M. SMITH: Well there's a series of reporting stages, both within MDC and with the Government Services people who work on the budgets for fire upgrading. The Fire Commissioner has to ensure that there are periodic inspections, or that he agrees with our plans. I think we have been in touch with him on a regular basis to check the plans that we have as

acceptable. Whether all the flow of memos goes to all the people all the time — I think there is a line of authority through which these memos flow. But he was aware of the issues raised in the memo from the fire and safety officer and concurred with our plan to handle the fire safety.

MR. E. CONNERY: On June 13, Mr. Chairman, I asked a question of the Minister about the material that was being stored at Northgrove and a fire system and, by Hansard: "Madam Speaker, it's been alleged that there's some plastic pipe that has been purchased, but the total upgrading is more complex than that." In her own piece of paper that she has circulated, it now shows that there was 373 electrical smoke detectors, 13 heat detectors, 17 smoke indicator lights, part of an electrical smoke test, 46 bells, 14 handsets for voice communications, 44 speakers, 13 panels, 2 master panels and 2 fire alarm controls. Now in all of the answers that we've been getting, it leaves me somewhat uneasy when we see that a few pieces of, alluded some plastic pipe turns into this sort of list of material? Could that be explained to me please?

HON. M. SMITH: In 1974 and 1977, there were extensive reviews by the Fire Commissioner of things that needed doing to bring the MDC up to par. Since that time, there has been a program of fire and safety upgrading and now it's virtually complete, except for the more moderate changes made in Northgrove because it is going to be retired. There are some at Southgrove which is being done now and will be completed when the renovations are done and there is one non-residential area that remains to be done from a long listing.

Now when these programs of upgrading were being done, at various times some of the equipment was bought in bulk, but these elements are a relatively small part of the total cost, because to put the magnetic door locks into Northgrove would have required changing all the door frames. It's a much more extensive renovation task than just using these small pieces of equipment.

Now it used to be assumed that an institution, once it was there, would stay forever and that there would not be any plan to close down. However, for us to stop our entire Welcome Home Program and the demolition of Northgrove because we had on hand some pieces of fire upgrading equipment that might turn out not to be used, would seem to me to be inverse logic. So that's the explanation for there being those items in the inventory.

MR. E. CONNERY: Was the Minister not aware of what was at the MDC in such a very serious position of fire safety? Did she not know what was there?

HON. M. SMITH: I certainly didn't know all the detail in the inventory. I did know that when we made the decision not to put several million dollars into a fire and safety upgrade of Northgrove, but to plan to close it down, that we consulted extensively with the Fire Commissioner, so that we would have a viable fire safety program in the interim. It would have been foolish to do it if he said you have to put the several millions

dollars in anyway. We wouldn't have accelerated the move to the community as much as we have, but it was a vital piece of the planning to know that he was in approval of our approach.

Now the fact that there were some elements in the inventory — again items which probably through Government Services can be relocated and used elsewhere — to me was not the germane issue, and I certainly didn't ask detailed questions of that sort, because Government Services handles a great many buildings in the province and they would be aware of any inventory such as this and I'm sure would move it around, if they didn't think it was needed there, either for repair or expanded use.

MR. E. CONNERY: I'm not an expert on Beauchesne, so if I say something wrong, I'm sure you'll remind me and I'll withdraw it, but it leaves me very very nervous that the House was misled if the Minister now says that she knew it was more than just some plastic pipe. I feel that . . .

MR. CHAIRMAN: It is out of order. If the implication is that the Minister deliberately misled, that is external to the rules.

MR. E. CONNERY: I didn't say "deliberately," but I'm concerned that the Minister had some knowledge of more than just plastic pipe being there, but tells us . . . It makes me very nervous. Is all of this proper information getting through, or is there a lot of misinformation and, if there is misinformation, we have a serious concern.

HON. M. SMITH: I didn't have knowledge of the detail of the inventory at that time. To the best of my knowledge, the plastic pipe was what was stockpiled. Again, this is a more detailed inventory and can set the matter correct. It seems to me that my area of responsibility was to see that people were safe and that we were proceeding on schedule with the Welcome Home thrust, so that we would be able to retire this building at the expected date.

MR. CHAIRMAN: The Member for Rhineland.

MR. A. BROWN: It was my understanding that about 220 of the mentally retarded were going to be moved by Christmas. Now I hear the Minister saying that this is going to take till March, is that correct?

HON. M. SMITH: January '87 is the target date for emptying Northgrove. There are to be 45 new places in the Southgrove, as a result of the renovation going on, that can be used if we aren't quite at our 220 by January. So it does provide us a temporary safety net and then when those beds are emptied, they'll be available for improved space for the remaining people.

MR. A. BROWN: Of the 220, how many will be moved by January 1, 1987?

MR. CHAIRMAN: If the member will refer to the Welcome Home fact sheet, I think he has those figures there, if I understand the question correctly.

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MR. A. BROWN: I just found the fact sheets and I'll determine where this total is.

According to the fact sheet, then there are supposed to be 210 moved by January 1, 1987. Is that correct?

HON. M. SMITH: Yes, with the potential of the three-month safety net, if you like. They'll be out of Northgrove, but we may have to use some beds in Southgrove for a short period.

MR. A. BROWN: I understand that so far there really have been very few moved. What is it? — 40 have been moved so far?

HON. M. SMITH: There's a net admission of 5 and a discharge of 80. Again, as I said, in the development of the Welcome Home, we are also providing some accommodation for people at risk in the community who are being accommodated as well; so that we now feel we have 140 beds in development in the community that should be ready by December 31. A minimum of 85 current residents at MDC should be accommodated by that.

The rate at which the institution is downsized is partly achieved by slowing down admission and by looking after at-risk people in the community and partly by planning to move others out.

Again, the planning is the time-consuming part of the operation and a lot of our plans will, in a sense, come to fruition close to the same time.

MR. A. BROWN: The Minister, in answering the Member for Portage, said that the SY's were going to be decreased according to the number of decreases of the mentally retarded staying at the MDC. However, when I asked the Minister earlier whether there was going to be a substantial decrease in SY's over there, she said not really, because those mentally retarded remaining in Portage would be more severely handicapped and would require more SY's to look after them.

I wonder if the Minister can give me some explanation as to the two differences in the answers that she has given.

HON. M. SMITH: I think the member will find that I did not answer as he said. I said that we are improving the staff ratio at MDC to improve the program, not because people are more needy. There may in fact be more needy people there, but I don't think I answered the way the member said. So we're trying to improve that program at the same time.

MR. A. BROWN: Can the Minister give me a breakdown in Other Expenditures?

HON. M. SMITH: These are for the general operating costs of the institution. There's an increase year over year of 72,200. This is made up of a reduction of 75,000 because of the phase out of approximately 70 to the community, 67,200 for federal sales tax and 80,000 for a food and clothing increase.

MR. A. BROWN: So this is mainly in food, clothing and items of that nature, the Other Expenditures?

HON. M. SMITH: The member might use his good offices to get us forgiveness of the federal sales tax of 67,200.

MR. A. BROWN: My next question, Mr. Chairman — (Interjection) — is this . . .

MR. CHAIRMAN: Order please.

MR. A. BROWN: . . . out of \$90,443,000, there's only \$2,250,000 Recoverable from Canada. Now which items are not recoverable? This seems to me a rather inordinately low recoverable.

HON. M. SMITH: Again, the answer is complex, but I think important to understand, and again maybe the member can be some help to us at the federal end of things.

In 1977, when established program funding was introduced, prior to that they used to share 50-50 with our costs at MDC. Under the new regime for adult residents, based on a needs test, they would accept only 50 percent of costs up to the OAS/GIS level. Now if an OAS/GIS level today, that's Old Age Security, Guaranteed Income Supplement might be in the \$8,085 range, the Federal Government would only accept responsibility for half of that or somewhat between \$4,000 and \$4,500, whereas at about \$75 per diem 365 days per year, the cost to the province of caring for each resident is more in the neighbourhood of \$34,000-\$35,000.00. So we're getting about \$4,000 for an expenditure of \$34,000.00.

MR. A. BROWN: When the Minister embarks on new programs like the Welcome Home Program or whatever program she may want to enter into, does she not negotiate and try to get funding from the Federal Government before she implements these programs? I can very well understand that if there's been no dialogue with the Federal Government that they will not accept their responsibility for a program which they had not been a part of.

Yet when the Minister goes into any program it would seem to me only logical that she would try to get at least 50 percent funding from the Federal Government before she would implement a new program.

HON. M. SMITH: Again, I am very happy to hear the member join our ranks in trying to get 50-50 cost-sharing on all important social programs. We are in the process of renegotiating the Vocational Rehabilitation and Development Program for the day programs for the disabled. We are trying to get a better deal under Canada Assistance Plan and we, as you well know, have been fighting the good fight, leading the fight across the country on EPF, and the increasing reluctance of the Federal Government to shoulder 50 percent of the cost . . . Are you a little sorry you asked? . . . And it's progress on all these fronts that is necessary before we are going to get federal money here.

Now we could as a province have said, we won't do anything until the Federal Government acknowledges the shared responsibility and comes in on it. Quite frankly I would have been ashamed to be Minister

responsible for the retarded citizens in Manitoba and have done that even though there would have been good fiscal arguments for following that course.

MR. A. BROWN: Well, we're quite familiar with the tactics the Minister is using. She will come up with her own program and go on and say well, this is what we want and so on, but there is really no negotiation.

HON. M. SMITH: That's not true.

MR. A. BROWN: The Federal Government really is not involved with the type of planning which would be needed between the two levels of government in order to come up with an acceptable funding program. So this is the concern, Mr. Chairman, that I have, at the type of negotiation that is going on. There is no way that the type of negotiating that the Minister is doing that she is going to be getting funding from the Federal Government because the cooperation is not there.

HON. M. SMITH: The member is assuming that we haven't, at every federal-provincial meeting of officials and of Ministers in the last two years, laid on the table these very, very needs and pleaded for some kind of recognition of a more equal cost-sharing across this country for social services. We've done it in every form for every area of need and I find it just unthinkable that the member would sit there and make those allegations. Some particular individuals, we've asked them to specialize in the department on looking for possible ways of getting better cost sharing.

Under the economic programs there is a system in place of regional directors who do, at the staff level, work out a lot of these joint planning approaches. As a matter of fact, the whole system of ERDA agreements and general development agreements that preceded them had developed some kind of cooperative planning mechanism, but on the social side we've never had that.

I would welcome the member's support and encouragement of colleagues in Ottawa to develop something similar on the social side because I think the development of the social programs in Canada is one of the greatest achievements of Canadians of this century, if you please. And I think to maintain and develop where it isn't quite in a mature state would be the greatest achievement that we, as a government, could possibly achieve. I look forward to the member's wholehearted support and if he wishes to put it in writing I'd be even more delighted.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, I'd like you to return for a moment to the sheet that the Minister passed out before that refers to 137 beds under the Welcome Home Program in the Status Report as of June 17, 1986. In the Annual Report for 1985 the Minister, on Page 19 they referred to some 137 or 38 individuals returned into the community. Are these the 137 beds that are being talked about in the report?

MR. CHAIRMAN: Excuse me, do you have the page number?

MR. G. MERCIER: Page 19. Now that was in the photocopy, not in the glossy version.

HON. M. SMITH: If I have deduced correctly what you're referring to, you've added up the 61 individuals placed in the community and the 77 at-risk persons as of December 31, 1985. That would total 138 but not all from MDC. The list that we handed out with the note, the 137, that is the future situation and is the list of mortgages that are firm with MHSC. In fact, we have planning that's coming to its maturity and we think is realizable by next January over and above that but this is the list of homes where the mortgage has been approved, under MHRC, Manitoba Housing and Renewal Corporation.

MR. G. MERCIER: Is the Minister then saying that none of these beds on this sheet are presently in existence?

HON. M. SMITH: Again, the Annual Report went to March 31 and we're now three months later, so some of these will be starting to phase in. In other words, we're one-quarter of the way through this year.

MR. G. MERCIER: Well, I ask a question then. For example, the St. Malo residence. There presently is a community residence there. Is this an additional residence in St. Malo?

HON. M. SMITH: Yes, these are incremental.

MR. G. MERCIER: And SPIKE presently exists. Are these additional beds?

HON. M. SMITH: This is their new facility.

MR. G. MERCIER: What is the relationship then between the Welcome Home fact sheet, which refers to 140 beds currently in development and the status report as of June 17?

HON. M. SMITH: Just before I address that, that really comes under Item (d), not Item (c). I suppose because we're talking about the institution and the community program as linked — (Interjection) — Yes.

You're referring to the fact sheet in the Annual Report, are you? — (Interjection) — The difference in number, the 137 list is the mortgages that have already been approved. Others are in process; there's applications in. — (Interjection) — Sorry, these are the ones applied for. The others are at the next lower stage of planning.

MR. G. MERCIER: Which is at the lower stage of development?

HON. M. SMITH: There were two fact sheets handed out, one titled Welcome Home Fact Sheet and one titled Financing of Community Residences, Welcome Home Program.

The Welcome Home fact sheet, the 210 is the group whose planning is sufficiently far along that we believe by next year, by January, March if we run into snags, will be achieved. The financing list is the ones where we're at the application for mortgage stage, so they're somewhat more advanced than some of the others;

but we feel that we will be able to complete and flow the funds, final approvals for the 210.

MR. G. MERCIER: Where will the 210 operational beds be for 1986, relating to the Welcome Home fact sheet? Where are they going to be?

HON. M. SMITH: The numbers are listed by region on your Welcome Home fact sheet. If you want the breakdown region by region, we do have a report — we have one copy of the regional report and the update. We can get a copy done and distributed. That would identify the towns and so on where the beds will be.

MR. G. MERCIER: Mr. Chairman, it's difficult to pursue this line of questioning without having the sheets that show the 210 specific beds that you're projecting for all of 1986.

I move that committee rise.

MR. CHAIRMAN: Committee rise.

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 now on Item No. 6.(a)(1) Policy and Economics Division, Administration: Salaries — the Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Chairman, before we begin our discussion in this area, I would like to take this opportunity of introducing to members of the committee, the Director of our Economics Branch, Heather Campbell. The Assistant Deputy Minister is away at a function tonight. Craig Lee is the Assistant Deputy Minister. He may be joining us later this evening if he returns, but if he is not back then perhaps at our next meeting.

As well I'd like to present, particularly for the honourable member, numbers of farmers' crops, major grains and oilseeds by region and numbers of livestock producers, all that information that the Member for La Verendrye wanted from us. We have that information now, one for the Member for Virden and the Member for La Verendrye, for their information, Mr. Chairman.

MR. CHAIRMAN: The Member for Virden.

MR. G. FINDLAY: Thank you, Mr. Chairman.

Certainly I know that I have a number of members who want to ask questions in this area, and I'd just like to make a few comments before we get into the area in any depth.

But as I look at the industry of agriculture, certainly where we've developed in the past 100 years wasn't developed by having a lot of regulations in place; and we're moving into an area where a lot of the regulated commodities are going to be discussed. In terms of my view of agriculture, I think our industry in this province and in this country as a whole has developed exceedingly well in 100 years.

It was built on personal initiative; it was built on pride; it was built on desire to accomplish, and as much as

members opposite want to play down the word, the word "profit" had a lot to do with the initiatives and incentives that came into making agriculture what it is in this country. So we must never lose sight of what it takes to make the industry grow.

When I look across the water at China, a country that used to import a lot from us, they put more initiative, more incentive into the hands of the local person and their production has increased tremendously over the last number of years.

I know many members on this side have a lot of concerns about ability of farmers to produce, in other words, keeping the regulations open so that they can produce, and a lot of concerns about small, mixed farmers being able to produce a number of commodities to supplement their incomes.

We're going to hear some comments from this side regarding the dairy industry, for sure. There's been a significant problem with quota transfer ever since the government on the other side came into power. Quota transfers weren't taking place; a freeze was brought in, a retirement policy was floated, you haven't been able to find the solution. I consider it's imperative that a solution be found fairly soon in that industry, because if I hear anything from the control commodities is continuing in the dairy area about transfers of quota.

I would like to have the Minister start by telling us in the Economics and Policy Division what are some of the major initiatives that are going on within that area. I would like him to comment on what's going on and then we'll question from thereon.

HON. B. URUSKI: Mr. Chairman, perhaps I should start by giving the regular technical data of the staff and staff complement in the division:

There is an administrative staff of two, which covers the Assistant Deputy Minister and his stenographical support, and in the Economics Branch, we have a total staff complement of sixteen. You have two Branch Administration, five Economic Market Analysis, two in the Statistics and seven in the Policy Analysis, for a total of sixteen.

In the Natural Products Marketing Council, you have a total staff complement of four, two Administration and two in Inspections and Research and Analysis.

Milk Prices Review Commission, you have no staff years there; the staff complement there is provided for by the Policy and Economics Division for the Milk Prices Review Commission.

In terms of the Farm Lands Ownership Board, you have four staff years in the Board Administration, complementing that branch in the research status to the university, and that basically deals with that branch of the department.

The major area dealing with the Policy and Economics area is really . . . The responsibility of the branch is for the collection, storage and analysis and dissemination of statistics, marketing production information on Manitoba's agricultural commodities. The branch provides advice, information and recommendations to senior officials, other branches and agencies and farmers and members of the agricultural industry. The branch also is responsible for providing leadership and coordination of long-term policy and program developments within the

department. It develops policy and program priorities for the department consistent with the overall direction and priorities of the government as a whole, and of course some of the main reports compiled by the Analysis Section, the Manitoba Markets Weekly Report, Periodic Situation Outlook Reports, and most agriculture commodities, as well as the Outlook Conference in Brandon and Winnipeg.

The Statistics Section does do the analysis and dissemination of agriculture statistics for Manitoba. Of course, that branch assists in the preparation of the Yearbook of Manitoba Agriculture, the estimates dealing with net farm income, farm capital, outstanding farm debt, bankruptcy statistics, seeded area, estimates, Monthly Agricultural Conditions Report and Weekly Crop Report, Agriculture Land Values Report, Farm Income-Outlook; those are some of the areas in terms of the statistics that we provide. In the policy analysis area, any of the major policy areas that we would be doing work on whether it's the quota question or whether it is in the interprovincial discussions dealing with interprovincial marketing and the regulated area, the Policy and Economics Branch would do analysis work for the government. The report and the background work on the chemical pricing and dissemination would have been assisted work prepared by that branch.

Most of the follow-up work would be ongoing in terms of providing advice whether it be to the Beef Commission doing the analysis of the Federal-Provincial Tripartite Program, for example, that we put out and went out to the country meetings as a separate entity to the Beef Commission because we felt that there should not be the Beef Commission to be seen as if they're criticizing a federal program, really should be someone else, even though we felt that responsibility should have rested with the Federal Government, but there was no one doing it and the media certainly wasn't picking it up even though that information was there. We felt part of the process should be the preparation of what we would say a factual presentation of both how the program would work, the federal program; what benefits or disbenefits might be so the producers at least would know what they're faced with and providing input back to the government as to how our decision making would go on.

MR. G. FINDLAY: I guess a comment then on the Beef Commission study that was discussed around in the meetings this spring. Certainly, the individual in the department that prepared the analysis did a very fine job, a Neil Hamilton, of presenting it at the meeting that I sat in on for information purposes. He answered questions in an unbiased way but he mentioned the Beef Commission not wanting to get caught up in the controversy. I will say that once the Beef Commission members spoke in the meeting, he certainly indicated what direction he wanted the farmers to lean, and then they filled out the questionnaires. The member from the department did a good job, but I wouldn't say the Beef Commission kept the position unbiased through the entire discussion.

I would like the Minister to tell us what he's planning to do with regard to the recent Wheat Board announcement that the freight charged to producers

of Manitoba should be increased by around \$5 a tonne to sort of freight back-off costs. I know he's answered this question in the question period. He said it's a federal problem, but let's look at it this way, Mr. Minister. The Provinces of Alberta and Saskatchewan are basically in competition with us when it comes to paying freight costs. They've decided that we have an advantageous position. I asked the Minister what the department is going to do to determine if Manitoba has an advantaged position over the other two provinces. They do not. Even though the decision on whether to implement this kind of policy has been delayed by one year, August 1, 1987, is not that far away, and what is your department doing to protect the producers of Manitoba in this situation, to demonstrate facts and analysis that give some information that we can use in the argument that's going to have to take place with the Wheat Board to protect farmers of Manitoba?

HON. B. URUSKI: Mr. Chairman, there may be some further work that we should be undertaking but let's remember that we did not put that proposal forward, it was put forward federally and we took a very strong position — yes, I would say that the influence of the new member of the Board of Commissioners of the Canadian Wheat Board may have had, I don't know, I won't make any comments one way or another — but certainly that's been an area that has been put forward as a result of the new commissioner coming from the Province of Alberta and the perennial comments of producers in Alberta, dealing with the question of barley and the shipments to the West Coast, as somehow being a greater cost and an unfair burden on those producers from Alberta, and on that basis that there should be some change in the structure. As the member knows we've taken a very strong position in this area, along with several farm organizations.

I'm not sure at this point in time whether it is, as some members might suggest, incumbent on us to come up with alternatives to this scheme. Quite frankly, we believe that the system now in place is fundamental and was fundamental since the beginning of the pooling of prices and, really, if there are changes being made, one has to examine what those changes would do to the whole area of pooling and the whole pricing structure and how they treat transportation.

We're certainly open to further suggestions and work with farm communities, but I'm not of the opinion at this point in time that we should be now pro-acting and looking at alternative suggestions to the one that was proposed. Quite frankly, we believe that the situation as it presently exists, is the one that should continue to be in place.

MR. G. FINDLAY: Certainly we wouldn't dispute that it shouldn't change from where it is, but the fact is that there are parties out there that want to have it changed and they're working towards that direction. They have produced some facts already which we have to counter, and in this section, we'll see further down, you're tied in with the University of Manitoba in terms of research grants there and certainly they have resources in their Economics Department that could do a significant analysis in this direction. You should have resources in your department that could do an economic analysis.

I would think that we'd better motivate some discussion in that direction and try to get some facts out that will support our cause to keep things the way they are, because they're not going to stay the way they are without some work to keep them there.

HON. B. URUSKI: Mr. Chairman, I have no quarrel with what the honourable member is saying in terms of us doing some further work to strengthen our present position and making sure that we retain the — and I would not say the benefit — the equity of pooling in terms of transportation costs and the recognition of how we have evolved over the last 60, 70 years in this whole process; and basically we can in fact restate not only our position but the implications of what the changes are and what should take place and how fundamental it is. We can do that and highlight that to say this is what the implications are and here's why it should remain, but we would be in fact elaborating a bit more on what we've already said.

MR. G. FINDLAY: I'm sure he's well aware, but we sit in the centre of Canada here, mileagewise, the furthest from salt water east or west than any other province. You can talk about salt water to the north, but that's only accessed by Northeastern Saskatchewan and some of the producers in the northern part of Manitoba so, in the long-term, we have the most to lose if we don't get active and move in that direction.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, at the risk of getting into an argument with the Minister of Agriculture, which certainly we don't want to do because this is a neutral political forum, surely the Minister of Agriculture is not saying that as the Department of Agriculture, as the Minister responsible for farmers, and anything that impacts on them as significantly as that freight rate or that backoff from the West Coast proposal the Canadian Wheat Board made, anything that has that major an impact, particularly on farmers in the Lac du Bonnet area who will be more impacted than, for instance, in my area or the Member for Virden's area, I think it's absolutely incumbent upon this Minister of Agriculture not simply to state that he likes the status quo, but rather to back that up with some factual research. The expertise is available, as the Member for Virden pointed out, it's at the University of Manitoba, Faculty of Agriculture.

The Minister has even used some of the independent research firms that do good agricultural research; for instance, in the Crow rate debate he used independent firms to develop information. I think it's absolutely incumbent that this Minister, if he's going to say "well, the status quo is fine," to develop the kind of position papers and the factual presentation to justify why he believes it should stay, because there is a lot of dollars on the table with this move, and Manitoba is in a position of having fewer farmers than Saskatchewan and Alberta, particularly Alberta, and have the most to lose.

I think it's bordering on negligence that the Minister simply says "well, we like the status quo," but we're not doing anything to research and defend our position to maintain the existing freight rate structures.

Mr. Chairman, what did you say from your seat?

HON. B. URUSKI: Let your colleagues bring that forward.

MR. D. ORCHARD: No. See the Minister is trying to get into a partisan political debate and trying to blame the Federal Government for something again. This came out of the Canadian Wheat Board and its membership.

My honourable friend says it has to be a legislative change. What would happen if that legislative change comes in? I suggest this Minister of Agriculture would say: "Oh, it's another evil doing of the Federal Government," after having sat on his rear and not developed any kind of information to defend the Manitoba position.

When I was Minister of Transportation, we defended Manitoba's position in requesting road upgrading funds to compensate for rail-line abandonment. The former member for Lac du Bonnet, when he took over as Highways Minister, continued that study — upgraded it, updated the numbers to bring them up to current status to present a unified voice from two governments. There was nothing political about that. We started out fighting the federal Liberals — we're still fighting the federal Conservatives on that. That's not a political partisan issue. This one isn't either, this is a Canadian Wheat Board potential decision.

Unless this Minister defends the farmers in Manitoba with some factual backup as to why the status quo should remain, then he is in effect abandoning the debate to Alberta, who will, for certain, put in the dollars into researching their position and present a unified strong voice.

If this Minister thinks that he can just say, well, the status quo is fine without backing it up, he's abandoning his responsibility to the farmers of Manitoba. I urge him to use some of the money that he's got in his department to fund some research into it, whether it be at the University of Manitoba or through private firms. It would be money well spent to protect Manitoba farmers in their freight rate structure. Anything less, the Minister is not doing his job.

Well, are you going to do it? Are you going to do it?

MR. G. FINDLAY: Agree or disagree.

MR. D. ORCHARD: Mr. Chairman, the Minister indicates he told my critic what they'll be doing; in other words, nothing, and he is going to let the Manitoba farmers go undefended in this potential freight rate change. That's what the Minister has indicated he's going to do is nothing.

HON. B. URUSKI: Mr. Chairman, I've indicated to his colleague that we will be looking at this whole area and that's what I intend to stick by.

MR. CHAIRMAN: 6.(a)(1)—pass; 6.(a)(2), Other Expenditures—pass; 6.(b)(1), Economics Branch, Salaries—pass; 6.(b)(2), Other Expenditures—pass.

6.(c)(1), Manitoba Natural Products Marketing Council, Salaries — the Member for Virden.

MR. G. FINDLAY: I guess the first thing I'd like to ask the Minister to record for us and give some discussion

on is the number of appeals that have occurred in the last year and compare it with the last three years prior to that, and what areas those appeals have come forward in.

HON. B. URUSKI: Mr. Chairman, our secretary of the Natural Products Marketing Council — and I'm sure the Member for Virden is closely familiar with him — Gordon MacKenzie will be joining us and will be providing the information as to the number of appeals that have come before the council in the last year to see whether we can provide him with as much statistical information as we can in this area.

In the calendar year 1985 there were — oh it's a fiscal year — April 1, 1985 to April 1, 1986 there were 11 appeals and 4 were granted, 7 were dismissed. You can break them down in this area: milk, 7 — 2 granted, 5 dismissed; eggs, 1 dismissed; beef, 3 — 2 granted, 1 dismissed.

MR. E. CONNERY: I didn't catch that.

HON. B. URUSKI: Beef.

MR. E. CONNERY: Beef?

HON. B. URUSKI: Yes, under the Beef Commission.

MR. E. CONNERY: I wanted you to go back three years to compare those total numbers.

HON. B. URUSKI: Mr. Chairman, we'll have to get my honourable friend that information. We don't have it here tonight, but I believe that there would have been more appeals in the previous year, especially in the milk area, in the whole area of milk. Milk has been the biggest number of appeals anyway, whether it's cream or milk appeals.

MR. G. FINDLAY: Why would there be more appeals in milk than in other areas? What's the major problem that's in that industry?

HON. B. URUSKI: Mostly in the area of cream quotas and the number of producers in the whole area. You're looking, for example, in the poultry industry, at probably as many less than maybe a half of the producers in all three feather commodities as there are in the entire dairy industry. So the dairy industry, of course, by the sheer numbers is greater than eggs, chickens and turkeys put together in terms of numbers of producers.

You have a lot of activity in the cream area against cream allocations because the whole quota system on cream was really, virtually, I could say, unregulated in terms of how the board dealt with the global quota and the individual quotas. So there were a lot of difficulties. The board would allow producers to go on their last year's quota and then towards the end of the year they were granting all the applications that were coming, and before the year ended they put a halt to the whole process, so there was an awful pile of appeals over the last number of years. That's the kind of things that resulted in appeals to the council.

MR. G. FINDLAY: Certainly, in the milk area, there's been a fair bit of concern expressed to me, and I know

you've heard it, too, about the transfer of partial quota. I'd like to know what the Minister would like to share with us in that area in terms of changes that are going to be upcoming. He flew the retirement policy past and I don't think it was received well.

What direction are we going in now?

HON. B. URUSKI: Mr. Chairman, I can go this far. Fairly intensive discussions have taken place over the last number of months since the re-election of this administration in trying to, in as cooperative a way as we can, resolve this longstanding problem of partial transfers of milk quotas, yet trying to protect the integrity of the system and recognizing that there has to be some flexibility in that whole area.

Where we will end up, I will not be able to say this evening as to what the final outcome will be other than there are discussions going on between the council and the Milk Board, which we hope will be concluded very shortly. If there will be any changes, I would hope, if the discussions are productive, that whatever changes we bring about will be in place for the beginning of the next dairy year, which would be August 1.

MR. CHAIRMAN: The Member for Emerson.

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

I was afraid I'd almost missed this portion of it here and I'd be remiss if I could not get a few kicks at the cat here because this has been a very important part of my area of concerns.

I'd like to start off with asking the question: Who actually made the decision that there would be no transfer of Class 2 quotas? Was it the Minister or was it the Manitoba Natural Products Marketing Council that made that decision?

HON. B. URUSKI: Mr. Chairman, I would think, in legalese terms, I would be held responsible for that. It was on recommendation of the council to me in terms of what was happening in the industry with partial quotas, but certainly the decision rests with myself.

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

Can the Minister also indicate with whom was the negotiation actually taking place? Is the lobbying taking place with the Minister — I'm talking of the Manitoba Milk Producers Marketing Board — are they negotiating or lobbying the Minister? Are they negotiating with the Natural Products Marketing Board Council?

HON. B. URUSKI: Mr. Chairman, with all the boards, there are ongoing discussions that take place in terms of changes in their marketing plans. The discussions that are now being held with the Milk Board and government are with the committee of board members and committee of council.

MR. A. DRIEDGER: I'm wondering if the Minister could maybe clarify a thing that's been bothering me and the dairy people. What was the rationale for stopping the transfer of Class 2 quotas outright, which is totally contrary to — we had the Minister of Natural Resources at that time, the Member for Lac du Bonnet, who allowed fish quotas to be sold together with their equipment, which is completely contrary.

What I'd like to know is why this particular group in the dairy industry was singled out to be persecuted, in a sense, by not allowing them to have these transfers there. That's exactly what it is, Mr. Chairman, a persecution of a certain element in our agricultural society, a group that is doing well. They've been able to look after themselves relatively well.

Here, all of a sudden, from out the blue, we have the interference from a Minister, you know, who I think obviously had his head in the sand, or something like that, and cannot really justify this kind of an approach. Now he's backing off; he comes out with this crazy retirement program that 95 percent of the dairy people rejected out of hand. Now he's finally pushed into a position where he has to start coming back and negotiating.

And I just want to indicate to the Minister some of the problems that it has created, for example, with people who want to borrow money, the disadvantages that it put the Manitoba dairy farmers compared to people in Ontario, B.C., other areas, where under FCC they can borrow up to \$3,000 per cow with quota because they have value on quota.

In Manitoba, under MACC, under FCC, at the banks right now, we're down to \$1,000 per cow with quota. Every time the Minister gets into a little bind, Mr. Chairman, then he starts making fun and trying to — he's a pretty sneaky guy in that respect, you know. When the heat comes on, then he tries and wiggles out of it. In this particular case, I'm not just going to let him wiggle out of it that easy because he made a poor decision and I'd like to know exactly where it's at right now.

He indicated negotiations are going on. If the Minister is talking of a 60/40 negotiation, I want to know the rationale for that kind of thing because it's again a reversal of his position. He has created all kinds of confusion in the dairy industry. There's farmers out there, young farmers, that have to expand for economic reasons, that want to expand. There's older farmers that want to reduce their herds. Nothing can take place like this.

I want to know exactly. I'll give the Minister a chance to maybe explain what his objective was when he put these farmers in this disadvantageous position for borrowing money. Their equity with banks, for example, has been eroded. They used to borrow up to \$3,000 per cow with quota, and the Minister knows that.

Can anybody imagine how naive this individual is, or some of the people, by saying there was no value on quota. They were dealing under the table for the longest time, and honest people were forced to take and sign affidavits saying there's no value on quota when everybody knew they were dealing under the table.

So what is this Minister trying to accomplish? I'd like to have some rationale for this.

HON. B. URUSKI: Mr. Chairman, the honourable member has answered his own question, quite frankly. It was his administration that brought in this whole policy area of sale of quota with cows with a declaration that said there is no value for quota.

It was his colleague, the Member for Arthur, who gave direction to the Natural Products Marketing Council that says anyone that is gaining value by the

sale of that cow with quota, his quota should be cancelled. That's what your government said. We're only enforcing what your government put into place. That's quite frankly what we did. We said it's happening, quota is gaining value.

The member is right. In terms of farmers losing equity, it's because they said, well, we're lying on the one side because we're signing declarations saying that there is no value for quota but, on the other hand, FCC is saying, yes, we're putting on \$3,000 per cow or whatever the amount was of quota, whatever the amount is, and we now . . . pardon me?

MR. L. DERKACH: Who's in charge? Who's in charge now?

HON. B. URUSKI: The lending institution made their own decision.

A MEMBER: No.

HON. B. URUSKI: The lending institution, FCC, made their own decision when it came to lending. They came, Mr. Chairman, to a meeting that I held in Brandon, talking about this whole question of fish quotas and quota values.

In fact I offered the dairy producers the same policy as fishermen have. Did they take me up on it, Mr. Chairman? No, they wouldn't take me up on it because all the production would have gone out into the wind. They wouldn't take me up on it. I offered the milk producers the same quota policy.

In fact, if the Honourable Member for Emerson is now saying we should have the same policy in dairy as we have for fishing, let's have him say so. I'd like to know whether that's what he's saying. Let's have the same policy that we have in fishing as we have here. — (Interjection) — Let me finish, Mr. Chairman. I'm sure that he doesn't want to take that up, but if he does, let him tell me.

Mr. Chairman, the lending institutions came to that meeting and argued that there should be a value for quota. Let the marketplace determine the value is so quite frankly, they were caught. They were caught in a bind that they had loaned out money, based on their assumptions that there should be value for quota and if that farmer sold out they would in fact sink the next farmer deeper into debt and he would be coming around because if he'd buy the other farmer out, he'd be coming around saying, I can't recoup my money. I need either greater prices for my milk to cover up this expenditure with this big debt load or at least confirm the policy of value for quota and let us continue on like they've done in Ontario and the other provinces; that's what was being argued. But the honourable member should know that it was his own government's policy that we're enforcing.

MR. A. DRIEDGER: The Minister, like usual, when he gets into a bind, talks out of both sides of his mouth.

I used the fish quota as an example of the inconsistency, where one department is saying that we will allow value on quota and you can sell these things, and then the Minister — and he still hasn't answered my question and we'll stay here until he does — what

was the rationale for disallowing Class 2 quotas? He doesn't know. What was the rationale for that?

HON. B. URUSKI: When the honourable member indicates that part of the declaration that — I told him that — farmers made was that they declared there was no value for quota. He admitted here in this House himself, Mr. Chairman, that there was value for quotas. What we were doing was enforcing that very declaration that producers were signing. We're saying it was getting out of hand. Producers were admitting themselves that the system was going nowhere; it was really a boon to the cattle dealers, to the middlemen in the process, and they themselves wanted the system done away with, quite frankly. The producers themselves said, if we do anything let's at least get rid of the cow dealers in the whole process and the Milk Board would have wanted to as well.

They made certain proposals to us; they were not accepted. We made a proposal back to them in terms of the retirement allowance and that wasn't bought. Now there are discussions going on and, as I indicated, I can't give an indication of where it's going until the discussions are in place and there is some sort of a proposal put forward by the Milk Board and the marketing council; but there are discussions going on to try and resolve the situation of the partial transfers of quotas. But what the end results will be, at this point in time, I am unable to say because if I say something here tonight and the discussions go another way, I'm sorry, I won't be able to deal with that question down the road.

Let the discussions proceed, and they're working, and once they've been concluded we will be bringing those changes forward and of course the government and the Milk Board will be announcing them.

MR. A. DRIEDGER: The Minister just actually verified what I indicated, that he didn't know why he imposed a restriction on Class 2 transfers. He doesn't really know. But he took and singled out the group of dairy people in Manitoba; and this is a government and a Minister who says I listen to what the people want; 95 percent of the dairy people told him what they wanted. He's been at meetings enough where he was lucky to get away with whole skin because they were coming after him pretty heavy and he would not listen.

Ninety-five percent of the dairy producers rejected his crazy proposal, the retirement proposal that he had. They've told him what they want. They want buy and sell of quota; that's what they want. So the Minister, realizing that they're not accepting his retirement package, is now backing off and saying, okay, negotiate with the guys, see how close can you get.

Okay, supposing that we're looking at, and I would suspect without having any knowledge of how the negotiations are going and I don't know whether it will jeopardize anything or not, but I insist on discussing it here, but if we're looking at a 60-40, 60 percent can be transferred for a cost, and 40 percent goes back into the board for reallocation, can the Minister explain how he justifies that kind of an approach, and if there's 40 percent going to be going back? I suspect this is where the Minister is at.

He didn't like the 80-20 that there was before. He tried to kick the whole thing out and now he's coming

back up the steps again slowly, kicking and screaming a step at a time and I dare say, Mr. Chairman, he knew that part of our policy during the election was that we would allow buy, sell of quota, which is what the people wanted.

I want the Minister to explain to me how he can justify, or how he visions this 60-40 business, if that is what it's going to be settled at, what is going to happen with the 40 percent that goes back to the board?

HON. B. URUSKI: Mr. Chairman, I will not indulge into any speculation on what the final, or any kind of a plan might be, because the moment I start indulging into possibilities, then quite frankly we're all over the place. There are so many combinations that one could make assumptions on of what this might be, what that might be and, I'm sorry, the honourable member can continue all he wants. I can't get into that discussion because there are discussions under way and they haven't concluded.

For me it would be, quite frankly, and I think for the honourable member, if he wants to go on a particular course of action, let's say, the 60-40 that he wants to go on, and if it should happen, let's say it ends up at 50-50, what then will he say? Will he say the roof fell in on me, and the Minister even was worse than I predicted he was. So, Mr. Chairman, at this point in time I would find it quite unproductive.

MR. A. DRIEDGER: Mr. Chairman, the roof fell in the moment that this Minister stuck his nose in a business where he had no business sticking it in, with the dairy industry.

But I want to hear the justification of the Minister if there's going to be an apportionment. Let's forget which apportionment, but obviously there was before, it was 80-20. Whatever the apportionment is, how does the Minister see that portion that is going back to the board being allocated to producers? Is it going to be on a first come, first served basis? Is it going to be according to a list that's been sitting there for 10 years with almost 400 names or over 400 names on there? How does he envision that to proceed? There must be a game plan. I want to know where the Minister's going with this whole project.

HON. B. URUSKI: Mr. Chairman, any quota policy that will be agreed to and set will have the premise that the quota is the responsibility and the property of the board.

MR. A. DRIEDGER: Is he talking of the Milk Producers Marketing Board? Is the Minister then saying that they will have the adjudication to do with the quota as they please, in terms of allocating it? Or is the Minister going to be setting out guidelines that young farmers can get into this thing?

HON. B. URUSKI: Mr. Chairman, those kind of options I'm sure are being discussed. What the outcome ultimately will be, as I said, I can't ascertain and speculate at this point in time. But I've indicated that the basic principle embodied in any transfer policy would be, that the quota is the property of the board and I believe that would be generally accepted by most

members in this House, maybe not by the Member for Emerson, but I think most members would in fact accept that proposition.

MR. A. DRIEDGER: Mr. Chairman, the Minister stuck his nose in here, disrupted the whole system. Can he now tell us what he envisions happening with this thing? — because even no matter what agreement they come to, if he doesn't like it he's going to get in and change it again to his liking.

I want to know the direction that he feels he wants to go with this thing.

HON. B. URUSKI: Mr. Chairman, the honourable members have heard my speeches before. He knows what my speeches are when it comes to trying to lessen or have no value for quota. However, what the outcome will be, I still do not have any proposal that has been, in fact, finalized and presented to me for consideration to my government.

But as I've indicated to all honourable members, discussions have been ongoing since April 21 when I met with the board, as a follow-up to my reappointment to this office, to continue the work that we began over the winter months and that's where they took off from and they're still ongoing.

MR. A. DRIEDGER: Well, Mr. Chairman, the Minister is saying that he's hiding behind the fact that negotiations are going on; that's fine and dandy. But he is the man who makes the final decision that will okay it or veto it again and that's why I'm asking him, what will he accept? Will he accept value on quota on a percentage basis? He, himself, would you accept value on quota on a percentage basis?

HON. B. URUSKI: Mr. Chairman, at this point in time there are discussions going on and I would think . . .

MR. A. DRIEDGER: You're hiding behind it.

HON. B. URUSKI: Well, Mr. Chairman, the member says, "You're hiding behind it." What the end result will be has yet to be seen, whether or not the government will accept what the recommendations are between counsel and the board; in fact, at this point in time how I feel in terms of the whole process it will have to be accepted by the entire government.

The member knows the strong positions that I have taken on the whole question of value for quota to attempt to minimize that. I've always indicated that one can't get away from that whole area completely when it comes to entire unit transfers because of the, I would say, the margin of error or in terms of the evaluation process that goes on; and quite frankly even if you're 10 percent out on the evaluation of an entire farm unit, one can attribute that 10 percent to the value on quota.

So I have always taken the position that there could be, and likely is, some incalculable amount that can be argued and attributable to value for quota in a unit transfer, based on the whole question of assessment. The question in the dairy industry is one that we've struggled with, is to try and find a way and to recognize that some movement of quota — a partial movement of quota in terms of dealing with some margin of

expansion and contraction in an industry — is different than it exists in the feather industry, generally.

I guess that's probably the area where I have had the most difficult time, personally, in recognizing that aspect that the dairy industry is somewhat different to the feather industry in that one area dealing with the need for movement of cows and the need for 20, 40, 50, 60, 100 litres in terms of one's operation and having some flexibility there. That's probably been my most difficult area of accepting some freer movement. But what the area and the final outcome will be, Mr. Chairman, the members can speculate and they can sit here for the next two months and talk about what's going to happen.

I will not engage in that whole area anymore. They've heard my own personal opinions on this whole area and until some recommendations are in and are acceptable to government, then that decision will be made, yes or no, and will either go or else we'll have another big battle over that whole question and that's where it's coming to.

MR. A. DRIEDGER: Mr. Chairman, what a difference a day makes. The Minister had no qualms sticking his nose in the business and stopping the transfers, and now he's playing footsie all over the place in trying to make reference to the feather industry; and if he wants to touch on that, he knows darn well that there's value on those things too, on a broiler operation or maybe even his turkey operation. If he's going to be selling it, invariably he's got hidden value on quota in there, because his buildings alone without that kind of a quota means nothing because nobody can make a living with that.

So he's being very naive if he's trying to say, well there's a big difference in there. There's value in those kinds of operations and I can cite examples, and I think I mentioned this in other debates on this issue, that we know there's value in there, that if you get the appraiser to work the right angles, that Manitoba Marketing Council will approve it. I can be very specific about how some of these transfers have taken place of whole properties and movements, which doesn't solve the problem here.

I just want the Minister to be consistent and I find it actually reprehensible, I find it disgusting what has happened in the dairy industry and now he's throwing up his shoulders and says, well negotiations are going on and I can't say anything until it's over. You had no difficulty sticking your nose in there when it wasn't supposed to be there, and now you're trying to fudge around the issue and I just don't find that acceptable.

We'll see what the negotiations are, but unless it's going to be acceptable — you know this is what bothers me — 95 percent of the dairy farmers know what they want. The Minister has a closed ear to it. He doesn't care at all. In fact, he's been told many times — I don't know who's been whispering in his ear that's giving him misinformation as to why he should crawl into this area but he certainly has — and he's created a lot of problems for a lot of the dairy industry in terms of their being able to borrow money, for young fellows to be able to expand so that they have an economic unit. but he just doesn't seem to listen to these kind of things. The dairy people want value on quota so they

can have movement and they are to find their proper place and the amount of quota that they need. — (Interjection) — The industry did well until you stuck your nose in there and that's what I find most upsetting. I'll leave it with that now, Mr. Chairman.

MR. CHAIRMAN: The Member for Virden.

MR. G. FINDLAY: I recall somewhere back in the Minister's statements here this evening he'd made mention that there was grave concern about the cow dealers profiting and he brought in this closure policy — bang — it affected all members of the industry.

I will mention again, particularly the father-son relationships, the ability to contract and expand; as a person gets older he wants to sell a little bit off. If his son comes in, he wants to buy a little bit to increase the production of the unit, or fill the barn up. He's mentioned himself that he can't adjust to the fact of his need for flexibility in this industry and I think it's very unfair to bring in this total closure of partial transfer while discussion is going on. Surely he could have carried on the discussions and stopped the cow dealing by just not allowing the quota to trade for a year.

It seems such a strong policy to address a small problem and he's affecting so many people in terms of the father-son relationships. It's imperative that you move immediately to get flexibility back in this industry in movement of partial quota. You've heard a lot of people — the Member for Emerson has addressed some of those comments; we've heard of many of them and I'll bet you he's had lots of letters too — that you've hurt a lot more people than you're helping by this closure policy that you're under right now.

HON. B. URUSKI: Mr. Chairman, I'd like to understand where the honourable members opposite are coming from. If they believe that there should be in fact movement on quota, as the Honourable Member for Emerson says there should be, what are we really saying? Are we saying, for example, that in British Columbia — let's deal with the father and son situation the Honourable Member for Virden talks about — are we in fact saying that okay, let's allow quota to be sold at \$400 a litre, as it is in British Columbia, and let's say he needs 100 litres. What does that amount to? 100 litre, \$400 — \$40,000.00? Can you imagine if that farmer, if that son got into financial difficulty, what would he be saying to the province in saying, look, I need more money because the cost of production doesn't allow me to make that return on that quota and I'm caught in terms of the cost of production because quota values are not part of the cost-of-production formula.

In fact, that's the very reason other provinces are now in the dilemma, the very reason that the Province of Ontario, in its study, said that to enter into the milk industry at a minimum cost, to purchase milk quota is about \$275,000 on an average and it goes higher as you get into the feather industry. What are we then saying in terms of future generations of attempting to say, let's go full bore and let quota be marketed and sold? I can understand and the Honourable Member for Emerson said that somehow let the industry expand.

Mr. Chairman, let's understand what any type of quota transfer system will do; it will not in fact expand the

industry. When the industry is in fact contracting in terms of the global quota that there is, there will be fewer producers and, Mr. Chairman, I predict you will have the same members getting up here and saying, why can't my dear old friend who wants to milk four cows get into the dairy industry, or my friend wants to milk cows for cream, get in and ship cream. Why is this Minister preventing this industry and allowing people from getting in? I mean that's been the argument for the last number of years, that we've been preventing people from coming in.

Let's just understand, Mr. Chairman, that the whole quota transfer policy — any quota transfer policy — whether with value or without value, will in fact concentrate the industry in fewer hands. What I think the objective of any quota transfer policy will have to have is, of course, bringing in new people into the industry with as least cost as possible for those entering the industry, to allow for the kind of transfers that I've spoken about with people who want to have some expansions and some contractions in their own operations and to provide greater flexibility.

Mr. Chairman, with the amount of quota that comes available, there will still be, no matter what policy comes into play, a long waiting list that everyone's needs will not be established in terms of the number of producers there are in the industry.

MR. G. FINDLAY: I would just like to say that I think there was very much of a knee-jerk reaction on your part to put the freeze on without knowing what direction you're going to go. If you wanted to put the freeze on, surely you should have known before you put the freeze on that hurt so many, what direction you were going to take the industry in and you still haven't decided what direction you're going in.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Well, no, the Minister is going to reply.

HON. B. URUSKI: Mr. Chairman, there was no knee-jerk reaction. There were discussions with the board two years prior — (Interjection) — Pardon me? Well, Mr. Chairman, there may not be a resolution. There is a resolution whether the member may like it or not. In fact anyone who wants to leave the industry basically turns the quota back to the board and sells his cows. The marketplace deals with the cows; or if in fact he wishes to sell his entire farm unit, there is — (Interjection) — Mr. Chairman, the honourable members don't want to accept that that's what is there and has been there — has been in place prior to that policy that your government instituted. That was there. It was the sham that was created by people signing affidavits saying that there is no value for quota that really led this whole system to get out of hand.

MR. CHAIRMAN: The Member for Pembina has the floor.

MR. D. ORCHARD: Thank you, Mr. Chairman.

I wasn't sure whether the Minister of Agriculture was quite finished when he's sitting down there.

Mr. Chairman, the Minister of Agriculture now has a quota dairy transfer policy — he knows what I'm talking about — that is in limbo. He says that he's undertaking negotiations with the board. Can the Minister indicate to us when he expects to be able to announce a policy? Will it be next month? Or two months from now? Because there are many, many people, there's even people in my constituency, which isn't a heavy dairy-producing area, who are being told right now by the board that they're right at the top of the list for new quota allocation but we just don't know for sure when we're going to be able to release any new quota.

Those people have credit arrangements made up. They have their funding in place to move ahead this summer, this fall. And because this Minister is not making a decision — (Interjection) — oh, now the Minister thinks it's funny — (Interjection) — He's just not listening. He doesn't really care to listen to the standpoint of MLA's who are trying to get him off the fence so he can make a decision on the policy.

There are people who want to get into the industry. They are being told, as I said, that they are at the top of the list for new quota when it comes up and that they could get in if new quota is available. But this Minister's policy prevents any new quota from being released because it's in complete limbo. It's in complete limbo and nothing is being done. Well, if the Minister doesn't know that's right, then he's irresponsible in his duties. He's derelict as Minister of Agriculture if he doesn't know that.

So I would like the Minister just to inform the House as to when he expects to be able to announce this policy so that people wishing to retire in part from the industry know what the rules of the game are so that people entering the industry and wanting to either enter the industry as new producers or possibly expand their current operation, know what the rules of the game are. The Minister surely can't tell this House that he is being responsible as the Minister of Agriculture by having the whole industry up in limbo because he can't make a decision. When can we expect a decision from this Minister?

HON. B. URUSKI: Mr. Chairman, first of all, the honourable member's comments are inaccurate.

Mr. Chairman, first of all, the board has a policy of allocating quota. They have quota available they can allocate. No one is preventing the board from allocating quota. The fact of the matter is the board has over-issued on its quota and there is no quota available.

Let the honourable member make whatever allegations he wishes in terms of doing or not doing. The fact of the matter is, if the board has quota available in its hands, it can allocate the quota under its existing policy. No one has stopped that policy; no one has prevented the policy. They have a policy — they can issue the quota.

MR. D. ORCHARD: The Minister just casually fudged around the issue and didn't answer the question. When's he going to establish and make public his new policy? When is it coming out so that producers can make decisions?

HON. B. URUSKI: Mr. Chairman, there are discussions under way. The board will be, and has undertaken

discussions. It was our hope when I answered the Member for Virden that by the start of the next dairy year, there could be a quota transfer policy which is August 1. That was our intent. I don't whether in fact those discussions will be complete but that's the intent.

MR. CHAIRMAN: 6.(c)(1) — the Honourable Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Mr. Chairman.

During the campaign I visited with several dairy producers. The common remarks from dairy producers were that since this Minister changed the policy with respect to value and quota and the transfer of quota, farmers said "I'm at the age where I would like to look at retirement and where I thought that my investment was worth something."

He shared with me that right at the present time, they're in a situation whereby the equity has been eroded simply by policy of this Minister and they can no longer afford to retire. Worse than that, they didn't know what to do with their industry because they just couldn't afford to do anything with it.

I think the Minister knows that this kind of feeling and this kind of desperate call for some action is out there. And I'm wondering why; why is this Minister not taking some positive steps? He's just not hearing it from us as opposition here. He has heard it right through and if he campaigned, he heard it from the dairy producers as well. But why is he dragging his feet?

Now he's telling us that he can't even share the information with us. What is behind this? What are you hiding behind? When are you going to come out with something positive for these dairy producers?

HON. B. URUSKI: Mr. Chairman, I'm glad that the Honourable Member for Roblin-Russell speaks of a retirement plan. Those producers that — (Interjection) — Mr. Chairman, I just heard the honourable member stand up and say that there were dairy producers in his constituency who told him that because of the Minister's action, they could not retire and that they had lost an amount of money, some of whom got their quota. In fact, the vast majority of producers in Manitoba would have received their quota at no cost to them from the public. Most producers would have been given the quota at no cost. It would have been a free allocation. It would only be those producers, Mr. Chairman, who were in the Winnipeg Milk shed, some of whom are in the Member for Emerson's — who, in fact, were the elite in the industry and who said those producers who are producing manufacturing milk, they are the second-class citizens who are producing manufacturing milk and they shouldn't get into our industry. If they want to get into our industry, they'd better buy our quota.

Mr. Chairman, that was all changed, but it wasn't as radical as it seemed at the time by my colleague, the former Member for Lac du Bonnet. We just happened to strike it right with 6 million pounds of quota coming open for Manitoba, and we basically dumped it on the market. That's what we did. We basically played free enterprise with those free enterprisers who had a quota to sell. That's really what happened in the early Seventies. Six million pounds of quota were dumped

on the market and all those fluid milk producers who said my fortune escaped, that Minister of Agriculture blew my fortune out the window because he just put 6 million pounds of milk on the market and my quota was worth nothing. He played their game, Mr. Chairman, that's what he did. Fortunately, there was an expansion. That's not what is happening today; there is not an expansion in the dairy industry.

Mr. Chairman, for the Member for Roblin-Russell, we put forward a retirement plan for those producers. — (Interjection) — Well, Mr. Chairman, they told me. Mr. Chairman, there was a split opinion amongst producers. It is not what honourable members would like you to believe. I met, Mr. Chairman, with the dairy representatives of the Dairy Herd Improvement Association. Mind you, they were a bit schizophrenic when we originally met, because some of them met with the board and said how come you're meeting with us when you have an elected board to meet with? And that's when some of them came, and there were about 40 of them, we met at the University of Manitoba in the Veterinary Services Building. I said, ladies and gentlemen, you're the ones that petitioned me and said you wanted some influence in the development of dairy policy in the Province of Manitoba. That's the reason I'm meeting with you; it was a result of your petition. Quite frankly, many of them said why did we come if we didn't want a hand? I said I wanted your views.

So we discussed this for several hours. Yes, there is no doubt — Mr. Chairman, I venture to say that if the idea — and I say in principle, the idea of the retirement fund had been talked about by producers for the length of time that the jam-up — and I call it a jam-up — by the board in not allocating quota in a rational way was jamming up the system and people were told that nothing would unjam the system but buying and selling, had the retirement fund been discussed as long as that policy was discussed, Mr. Chairman, I venture to say that the vast majority of producers would have said, yes, this is a rational way of funding our retirement in an industry and we would have a way to bring new people in and a rational way of bringing people out with no exorbitant values for quota being paid and financed, levied by all producers.

Mr. Chairman, it was not. It was a policy that was put forward and an idea was put forward, the first calculation that was made. I'm producing and I have a quota of a thousand litres and since I'm going to need a levy of a half-a-cent a litre, it's going to cost me X dollars a month forever and a day, and I may never reap any benefits. Quite frankly, Mr. Chairman, if there was no quota being turned in to be reallocated, there would be no levy. That didn't make any difference because there's no doubt that the policy option did not have the kind of discussion and deliberation that the — what I would call the years of frustration that producers were put into by putting their names on the list — let's just understand what happened in the system. I think the Member for Morris and the Member for Virden know that the waiting list at the board did not work. The board did not make it work. They didn't make it work because the 20 percent return on quota transfer, it was not put back on an annual basis to take people off the list. It was rolled over in the form of a general increase to everyone whether they needed it or not. And so it jammed the system up.

People said, my heavens, I've been on the list for three or four years, I will never get to the top of the list and get any quota. And they were right. The system was not working and in fact, Mr. Chairman, what has happened over the last year has certainly not been any worse than the frustration that was created by the industry for a number of years. — (Interjection) — Oh, Mr. Chairman, the honourable members opposite can pooh-pooh and boo all they want, it has not changed the system at all. The difficulty that has occurred is that people who were betting on selling their quota may not have realized that capital return as quickly as they would have wanted to. That's really what was the rub for some people, Mr. Chairman, and that's where they said, hey, if he now takes away value for quota that we happened to have paid, now we're in a bit of a bind and so quite frankly, their feathers were ruffled, or their ox was being gored, whatever term you want to use, Mr. Chairman. But that was the difficulty that was going on in the industry.

MR. CHAIRMAN: The Member for Roblin-Russell.

MR. L. DERKACH: Mr. Chairman, as a new member of this House, I find it almost incredible, disgusting, at the arrogant, naive and self-righteous attitude that is taken by an individual who is charged with a responsibility like the Minister of Agriculture has just done.

MR. CHAIRMAN: Be careful about your words.

MR. L. DERKACH: Mr. Chairman, I'd like to turn now to another area that there has been just as much bungling in, and that is the egg producing area, and the bungle that the Minister has created in this area.

We have seen legislation proposed to this House that has the nice phrase, "the family farm," and we have had a Minister now who preaches how important it is to preserve — and a government that preaches how important it is to preserve the family farm. Well, it's nice to hear some members opposite applaud that kind of a concept; unfortunately, they should find out what that concept really means, and take a look at whether the actions of that Minister across the way is indicative of preserving the family farm.

When the Minister announced that the family farm would no longer be able to keep 499 hens because there was a vast overproduction of eggs in the Province of Manitoba, I wonder how this kind of move was supposed to help the family farm. How was this going to help the family farm survive in our province? Obviously, the Minister was listening to somebody who was saying, Mr. Minister, jump, and he jumped, without really paying attention to what was out in the rural area. Because when everything was said and done, I would like the Minister to indicate to us how many farmers applied for the permits to have 499 birds? Because there was — at the time when the Minister said farmers cannot keep 499 birds anymore, they can only keep 99 — the speculation that there were some 3,000 producers out in the Province of Manitoba who had over 99 birds and who had something in excess or close to 499 birds.

As a matter of fact, when they started doing some counts, where was the overproduction really found?

Was it found in the small flocks that these family farms had, or was it in fact found in those commercial operations? Was it found in those commercial operations that were hiding the number of birds that they really were supposed to have? And although the Minister is making some funny faces about that statement, he better check with his own department and find out where that overproduction was, because the 300 or 400 farmers who applied for permits to have 499 birds surely could not have been a part of that vast overproduction that the Minister had talked about.

But further to that, not only did it affect the small family farm, because there, there was a significant impact. Because that family farm was able to use those monies that they got off those 499 hens to buy some groceries for the family, to buy some clothing for the family, it probably prevented that wife from having to go to town and find a job and take a job away from somebody else in town. It kept the wife on the farm in many instances.

But yet, the Minister said, trust me, I know what I'm doing, this will help you. And yet he hasn't explained how he's helped us.

Well, what about the small hatcheries out in the Province of Manitoba? How did this action help the small hatcheries that are out in the rural areas of Manitoba? No longer did they have the sales for the small chick flocks. Any farmer who may have had 200 birds, he didn't have to have 499 birds, but when he found out the hassles that he had to go through to get that permit, he just said forget it, I'm just not going to keep any more hens. And so not only did he reduce down to 99, he just completely got rid of the flock, because how are 99 birds a viable income for any farm? It's too many eggs for you to eat yourself, not enough to sell, maybe they should send them over to the Minister and maybe he could find some sales for them. Or maybe he could sit on them.

So, therefore, is this the kind of Minister who is really concerned about the small family farm? Is he really concerned about the small producers who are out there in the rural areas of Manitoba? Well, if he really is, why doesn't he show it by some of the actions that should be done?

Now, I would like to know from the Minister specifically, how many farmers in rural Manitoba have applied for permits for keeping 499 birds since this policy was introduced?

HON. B. URUSKI: Mr. Chairman, before I give the honourable member those numbers, I think the honourable member, and for the new members, they should hear my version dealing with supply management and the need for the system which I support. I'm sure his colleague, the Member for La Verendrye, clearly supports that whole concept, maybe in terms of the need of the Honourable Member for Roblin-Russell.

I indicated from my seat, the Honourable Member for La Verendrye might want to ship a couple of barns of quota into the Roblin-Russell area to make sure that the quota needs of those producers are met. I'm sure that he will be one of those vociferously saying "No way Jose."

Mr. Chairman, how did we evolve into the system that we're in? The industry was in chaos; farmers were

going bankrupt; egg prices were selling below the cost of production; the industry was falling apart.

Mr. Chairman, the honourable member should understand that, because, he's advocating changes . . .

MR. CHAIRMAN: There is a point of order being raised. State your point of order please.

MR. L. DERKACH: Mr. Chairman, the point of order is that I asked the Minister a specific question. Can I get an answer to that?

MR. CHAIRMAN: That's not a point of order.

HON. B. URUSKI: Mr. Chairman, I was accused of being arrogant and not wanting to listen. Mr. Chairman, who is getting up in this House and not wanting to hear my side of the story? It's the Honourable Member for Roblin-Russell who is displaying, what I would say, a shade of arrogance on his own in this whole area, as well, Mr. Chairman, by not wanting to hear what the farm community in the whole area of supply management, it doesn't matter which industry you want to talk about, the industry, at the time that there was a movement towards supply management, was in chaos. Farmers were going bankrupt. Prices were rock bottom, in fact, below the cost of production. Producers said in order for us to survive and save the industry, we have to do something about it.

So, they organized a provincial marketing board. That didn't quite work. It gave them a little bit of bargaining power with the processing industry, and, although there was influx of product, if the processing industry wanted to depress the price and keep the market low, all they had to do was bring in products from other provinces and they still had the producers in control.

There was a will nationally to say, we, in this country, are prepared, and the national Government of the Day passed legislation and allowed producers to organize nationally. But in return for a cost-of-production formula, a return based on the cost of production and a fair return for produce marketed, they had to give up the right to unlimited production. That is their responsibility in a national plan. In those national plans, we ended up sharing the Canadian market. We basically looked at the historical market share as between provinces and each province got allocated its percentage of quota. That's how we came up with the quota system.

But, that gave the kind of stability to those industries which they did not have prior to that system. The very system that the Member for Roblin-Russell says now is somehow militating against all those other people who want to get in the industry — well, that's true, and to an extent it is true.

But why do people want to get in the industry, Mr. Chairman? Because there is a fair return for the product that they produce, because the price is guaranteed. But for that guarantee, they had to give up the right to over-produce.

Now, let's see what happened with unregulated products, Mr. Chairman. In 1982, 681,889 dozens were overproduced by unregistered producers in Manitoba. — (Interjection) — Pardon me? The member says, "Oh." I will even be more specific. Mr. Chairman, all those producers, who are registered and who have a

quota are registered in two forms, both on the numbers of birds and secondly, on the total amount of production that they can produce, they are covered both ways and so their total production has to be calculated against the provincial total allocation that the province receives.

Now there was some room; the whole area of unregistered production was to deal primarily with family consumption, the needs of individual producers to produce for themselves. That was the reason that there was an exemption, generally under 500 birds. — (Interjection) — 499 birds. — (Interjection) — Pardon me? Yes, for eggs; it was 500 birds.

As well, I'm assuming, that one other rationale, and one other part of the rationale would have been that, if there would have been a vote of the entire industry, chances are that the vote wouldn't have passed. Yes, okay, I accept that. I'm sure that was part of the rationale.

Now, in terms of what has happened, we moved from 681,000, Mr. Chairman, in one year to 1,125,000 dozens of eggs overproduced in the Province of Manitoba. What was happening is, of course, the registered producers, who had the quota, had to pay the overproduction levy. It couldn't be paid by the unregistered producers; the levy had to be levied on the registered producers. So you had the registered producers paying a levy of about 10 cents a dozen, that they had to pay as a levy for the overproduction, and it basically went up in '84 again, not very much, from 125 to 135 and went slightly down in '85 to 130, roughly. So we're in that 1,130,000 dozens of overproduction.

Mr. Chairman, 383 producers, I'm advised, applied for and received the permit. Mr. Chairman, no existing producers were denied the right to produce in terms of their permit of 499. Only those producers who would be new producers coming in to the industry would be regulated under the new policy of 99 birds for single families and 499 for multiple families, and that is the policy that is in existence today. But all existing producers continue to remain at the 499 level.

MR. L. DERKACH: Mr. Chairman, again, the Minister just skates around the facts, because, when they were bringing in the reduction from 499 to 99, it's a well-known fact that the information that was out said that there were some 3,000 producers who were causing this great overproduction of eggs in Manitoba and those are the kind of figures that were bandied about when they were talking about reducing it from 499 to 99. It wasn't any 300 or 500 producers. So when the permits finally were applied for and there were only 383 producers, the Minister can't tell me that those were the producers who were responsible for that vast overproduction. I think that the records are there. There is proof that shows that there was, in fact, overproduction in the registered flocks, and that's where some of the overproduction was coming from.

Now, the Minister also says that producers had to give up the rights when the supply management concept came into effect. Well, that was given up but there was a guarantee that that 499 would be there to ensure the family farms could have that right to that production.

That was a concept that was agreed to in the vote. Now, all of a sudden, that has been eroded.

Can the Minister honestly tell this House that it was the 383 producers, who have applied for the permits, who are responsible for that vast overproduction?

HON. B. URUSKI: Mr. Chairman, maybe I'd better just clarify what I had said earlier. Notwithstanding the registration that took place after February of 1985, if the record of production and the number of birds that an individual had, whether he registered or not, produced and had 499 birds before the change in policy, there is no producer in Manitoba that has to reduce his production to 99 birds, provided they had the record of production and it could be shown.

Whether they have registered or not is immaterial. We would have liked them to register, but whether they registered or not is immaterial, provided the record of purchase through the hatcheries, that's fairly easily established. So there's been no existing producers in the Province of Manitoba who were in fact impacted by this policy change, none whatsoever. Everyone who was producing was granted their policy. Whether they registered or not, that's another question, but it's only new producers who are coming in who would fall under this new policy.

MR. L. DERKACH: In the inspections that were done, was there an overproduction found to be in existence within those flocks that were registered?

HON. B. URUSKI: Mr. Chairman, if any of the registered producers were over in production, they would be levied a penalty of \$1 per month per bird over the allocated quota. So the board dealt very quickly and I guess effectively with the registered producers. It is the growth of the unregistered production, which caused greater problems for the rest of the industry in terms of the overproduction levies that had to be paid for by the registered producers that led to this policy change. That was the main reason for the policy change for new producers.

We recognize that those existing unregistered producers should be granted the existing right of 499 birds, and they continue to have that right. It is only as of February of 1985 that any new producer coming in without any previous record of production would fall under the 99 bird policy, and the 499 bird for multi-family production.

MR. L. DERKACH: The Minister still hasn't answered my question. I know that there were some inspections carried out on registered flocks after this policy came into effect.

HON. B. URUSKI: On registered?

MR. L. DERKACH: On registered flocks, because of the fact that there was pressure put on the board to do those inspections. In fact, as I understand it, in the inspections that were carried out, there was an overproduction, or a greater amount of birds than were registered, in some of those cases.

I'd like to know what that overproduction was that has been documented to date.

HON. B. URUSKI: Mr. Chairman, the figures that I gave my honourable friend for overproduction was strictly

from unregistered producers. What was sold through grading stations and was calculated as production by unregistered producers, because the records can be separated.

I'm advised that every registered producer, by board policy, has their flocks counted within three weeks of placement, so that there is no overage in terms of bird numbers. If there is, the penalty that I've outlined earlier, of \$1 per bird per month, is levied automatically on those producers.

MR. L. DERKACH: Mr. Chairman, what the Minister is saying is that there is no overage then in any of the registered poultry flocks that are in existence, or there hasn't been an overage found in the last year in any of the registered flocks in Manitoba. Is that in fact what you're saying?

HON. B. URUSKI: Mr. Chairman, I'm sure that there would be instances of overproduction, but what I'll have to do is we'll have to go to the board and get those numbers for you because we wouldn't have them in our own record, because the board deals with that matter fairly effectively.

MR. L. DERKACH: Would the Minister of Agriculture then table those figures that have been obtained by the inspections that were carried out on registered flocks?

HON. B. URUSKI: Mr. Chairman, most certainly, as soon as we get that information from the board, I'll be pleased to. Mr. Chairman, I've just been shown the 1986 14th Annual Meeting of the Manitoba Egg Producers' Marketing Board, and the penalty paid for layers in excess of 97 percent of the Manitoba allocation, 3,311 birds in the entire Province of Manitoba for the year 1985. There was none in 1984.

MR. L. DERKACH: Further to the regulations with regard to egg production, I would like the Minister to tell us how a father/son differs in terms of the amount of birds that can be kept on a farm, as compared to two brothers, or two sisters having a partnership arrangement, and the number of birds that each of those two types of partnerships can have on a farm.

HON. B. URUSKI: Mr. Chairman, the new allocation, and I'm assuming the member speaks of the new allocation under the new policy — if they were producers of record prior to February of 1985, the 499 limit remains for all producers. The change took place in February of 1985 for any new producers that were just coming into production after that date. There would be no difference in terms of treatment of those two instances that he gave, I'm advised by the staff. There would be a differentiation made where there'd be a record of partnerships of non-family members, or there would be a partnership occasion of non-family people, where they would be allowed the 499.

MR. L. DERKACH: So would I take it from that comment, Mr. Minister, that a father/son relationship on a single farm would only be allowed 499 birds, whereas two partners who form a partnership would then be allowed to keep double that?

HON. B. URUSKI: Mr. Chairman, let's just be very clear here. No producer who has been in existence prior to February of 1985, the new policy doesn't affect them at all. The 499 limit remains.

Anyone starting production after February of 1985 the new rules apply and, in the circumstances that the honourable member indicated, that would still be the 99 maximum for both instances.

MR. L. DERKACH: But let's clarify that. In the case where there was a partnership arrangement between two members who are non-family members prior to the 1985 regulation where they perhaps had over 900 birds on a single farm, would those people be allowed to continue under that partnership whereas a son-father relationship could only have 499?

HON. B. URUSKI: Mr. Chairman, before February of 85, 499 was the limit regardless of the number of people who farmed. It didn't matter whether there was 10 partners, it was still 499; whether it was a Hutterite colony or father and son, or father and three daughters, or whatever the arrangement was, 499 was the limit. It's the production after February where the changes were made. It didn't matter how many partners there were. It's not 900 chickens that the member suggests; it's 499 was the limit.

MR. L. DERKACH: Mr. Chairman, I would like to ask the Minister now if he could give us a breakdown of the levy that is being charged in Manitoba and where that levy goes to and how it's apportioned.

HON. B. URUSKI: Mr. Chairman, the levies are eight cents a dozen to CEMA, to the National Marketing Agency, and two cents a dozen to the board.

MR. L. DERKACH: I'd like to ask the Minister now with regard to salaries. What is the salary of the chief executive officer of the marketing board?

HON. B. URUSKI: Mr. Chairman, I am pleased that those questions are being raised. I believe that those would be very good questions that should be asked at every annual meeting of the marketing boards, but I don't have that information here. We'll attempt to get it, indicating that that question has been raised, and I'm pleased that the honourable member has raised it. We'll endeavour to get all those salaries of the staff and board members and provide that for honourable members.

MR. L. DERKACH: With regard to the hatching flocks in the province, can a farmer who has a hatching flock and had the 499 birds before the regulation, is that farmer allowed to keep both the hatching flock and the laying flock of 499 birds?

HON. B. URUSKI: Perhaps the honourable member should repeat that question. Was the question: Is a farmer allowed to keep a hatching flock and the 499 limit prior to 1985 and continued on?

Mr. Chairman, we'll check that question out as to how it is being regulated by the board. My understanding is that the hatching industry has been

exempt by CEMA, but I'm not certain how the provincial board is handling that whole question, whether they make a differentiation in terms of the eggs being shipped knowing that all those eggs have been fertilized in terms of the hatching.

MR. L. DERKACH: Just for clarification to the Minister, I'm talking about two separate things. If a farmer has 499 laying birds that could be in cages or whatever and he's also got a hatching flock besides that, is he entitled to keep the two flocks?

HON. B. URUSKI: Mr. Chairman, I understood the member very well. I was referring to the hatching flock. Those eggs would be fertile that he would be selling and so . . .

MR. L. DERKACH: Well, I hope so.

HON. B. URUSKI: Well, no, of course. They would not stay on the market very long if they were candled in terms of the fertility aspect and what was in those shells, Mr. Chairman. I know it's a delicacy in some countries, Mr. Chairman.

MR. CHAIRMAN: We eat them.

HON. B. URUSKI: Yes, I understand that, Sir, the fertile ones. — (Interjection) — yes, I'm not sure that my honourable friend, we could give him a taste, Mr. Chairman.

MR. D. ORCHARD: My sister has a flock and I eat them all the time.

A MEMBER: Fertilized eggs.

HON. B. URUSKI: Oh, fertilized eggs.

MR. D. ORCHARD: Yes.

HON. B. URUSKI: Okay.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. CHAIRMAN: Delicious.

HON. B. URUSKI: Filled with the bird, I'm talking about; that's what you're talking about.

A MEMBER: You eat them boiled?

MR. CHAIRMAN: Yes, you boil them, it's called balut. It's good.

HON. B. URUSKI: Mr. Chairman, I'm advised that both flocks should be able to be kept.

MR. CHAIRMAN: The Member for Morris.

MR. C. MANNES: Thank you, Mr. Chairman.

I can't help but join the discussion in part, Mr. Chairman. I look at what the government did do in 1985 in allowing the marketing board to move forward with

a couple of regulatory changes that caused levels of unregistered production to drop.

I guess what I found most distasteful with the action was the fact that the plans came into being at a time when the rules were established and, of course, the rationale used at the time was that the Government of the Day had brought forward a plan with lower limits that would never have been plans, and yet there were people producing under those levels. And yet through some 15 years later, not an awfully long time, you now have powers that be, directors, of course the boards, and government, who feel that a major change was in order.

I think throughout that whole stage a year or a year-and-a-half ago, I never heard a proper explanation as to really who this group in society was, or within the rural community, that was causing this total global number of unregistered production to increase in such a large fashion.

I can remember in the early Seventies when the plans came into being. I know my own farm was an unregistered producer. I know we had 200 to 300 laying hens, and yet some six, seven or eight years later we dropped out of production completely. I would have to think a large number of people who were under the 500 limit, who were not registered producers in the early Seventies when the plans came into being, a large number of them dropped out of production through the good grain price years of the early mid-Seventies right through all of that decade.

So, obviously, that production was taken up by the board, maybe some new producers, and covered by registered production. However, when things began to change over the last, using the Minister's statistics, from 1982 forward, when some saw some opportunity to produce eggs or broilers again under the limit, they were of course challenged for causing some potentially long-run cost and loss of gain to the industry as a whole, some threat to the industry as a whole.

I just would like to ask the Minister, and this may be the last time we have an opportunity because obviously the policy will probably be well entrenched after two years, but specifically who was it that was causing this great, massive increase in production? Was there one special group of people in the rural community? Was it new people who once had been producing eggs, maybe even as recently as five years previous, as unregistered producers, who were beginning to come into place? Specifically, who was doing it? Because I guess I'm one who always reacts when I see, not only governments, but boards with tremendous powers begin to change the rules for their own benefit.

So I'm wondering, once and for all, if the Minister could tell us who it was who was producing and causing the unregistered production to increase at such a quick rate.

HON. B. URUSKI: Mr. Chairman, I want to indicate that when it comes to this whole area of overproduction and unregulated product and producers, I too have sympathy for those who would like to get into the industry; so it isn't a very easy decision to make or to countenance the controlling of products that are unregulated. But I believe as Minister I do have to take

the perspective and put into perspective the good of the entire industry.

In fact, some of the changes that occurred as a result of this policy, those 383 producers who are now registered, are in fact quota holders and in fact the rest of the registered producers had to give up quota to accommodate all these unregistered producers into the industry. So I'm not sure that I have a profile of any particular group, but I would venture to say that anyone who would have had a decent chicken coop on the farm from way back or whatever they use it for could have, in fact, of a certain size, could have gotten back into the production of chickens.

Of course, I can fully understand the rationale behind many of these people. Being cash short, the markets for grain going down, incomes becoming tight, and I can fully appreciate the needs of those producers to say, hey, here is an avenue where maybe, I'm on the farm anyway, and I've got to do something and here is a couple of hours of chores or an hour of chores a day and here's a few dollars to supplement my income. I can understand that very well, and I have great sympathy for that.

The increase in production, quite frankly, as I indicated, moved from 680,000 dozen to, I think it was 1.2 million — the figures are on the record — in one year, and then of course it went up a little bit more the second year and levelled off the third year; and has basically been maintained, I would think, not far from the other area, although that amount of production would have been reduced by the registered producers who went into the regular quota system.

But quite frankly the whole unregistered production could have been avoided. Yes. Those records are only there for the product that was sold through the grading stations. Had all those eggs been marketed in the way that many people said, I want to market it with my neighbours, through local stores in their areas, there would have been no record of that production. It would have not even been here as a record.

So I am sure that there would be other producers who would have marketed a fair bit of their product, if not all. There would be others who have marketed all or most of their product in the way that they intended, through their neighbours and through the community, in general, and had their own local marketing system of fresh eggs. They would not have been part of this list and there would have been no penalties levied.

It was the eggs that basically could not have been consumed in the local community that went through the grading stations on which the penalties were levied on the registered producers, and that's how this came about.

MR. C. MANNES: I don't want to belabour it, Mr. Chairman, although I always felt there were ways then of dealing in the grading station, whereby maybe those people who thought that they were going to move that type of production through the system could be charged at full levy, the full cost of overproduction levy.

I don't know what the legalities of it are or what statute authority would be required, either through regulation or whatever, but it seemed to me that there maybe was another way of approaching it.

Mr. Chairman, I would ask the Minister whether or not any of the maximum productions, other than what

has been grandfathered, whether these have been changed at all over the last year, any of the maximum production levels have been changed at all with respect to any of the plans, particularly the supply and management plans?

HON. B. URUSKI: Mr. Chairman, there were five family farms in the broiler production area on which the amount of production was changed from, I think it was 30,000 to 50,000 birds, and that was the only change in terms of trying to accommodate and that occurred at the time when the fifth cycle . . . It went from a fifth to a sixth cycle and those changes were accommodated in that process. There were five families in the broiler production in which the limits were increased.

There were no changes in limits in terms of other than everyone in the industry getting the sixth production cycle was allowed, and that's the extent. The board has changed the policy from square footage to actual numbers of birds for production, so they've tightened up on the whole area of production, based on numbers now, not on square footage of barns.

MR. C. MANNES: Mr. Chairman, the Minister seems to be saying then, that because of this new additional cycle, that those farms or those corporations that were producing very close to the maximum, or indeed at the maximum, because of course they would then have one-fifth, or 20 percent more production, that the maximums had to be changed to accommodate them.

So it wasn't anything to do with grandfathering then, it was just those firms or companies or farms that were at the maximum, and to accommodate this change they had to be allowed some exemption beyond the maximum level. I would then ask the Minister — well, when I say exemption, Mr. Chairman, I mean that some provision had to be put into law that would allow them to go over the maximum — that's my only statement — and given that there is no new maximum — I'm sorry, Mr. Chairman, the Minister says there is a new maximum now — and then when he talks about the five or six families, is he saying that they then have gone over the new maximum of 50,000? Or is the 50,000 to apply to them?

HON. B. URUSKI: Mr. Chairman, there were five producers between the 30,000 and 50,000 production. The new maximum is left at 50,000 and that is the maximum. Any increase that will accrue to the industry will not go to any of those who are at the maximum, or above the maximum.

MR. C. MANNES: At the maximum or above the maximum. Well, Mr. Chairman, I'm still a little vague. How do they get there in the first place, because they weren't grandfathered there. If I was at 30,000, I would be held then under that level, I take it. So why can't I exceed the 30,000 limit if the five or six others did, given that they were not grandfathered?

HON. B. URUSKI: Mr. Chairman, I'm advised that in order to accommodate all the family farms in the broiler industry, there were five farms over the 30,000 production limit and the remainder grandfather production in non-family farm operations were above

that amount. The board set the amount at 50,000 to accommodate all the family farms that were there and all farmers below that amount, of course, with increases, and those family farms that are in the 50,000 range, so they are at their maximum so they will not be receiving, or if they're slightly below, any increases that will come, they will still be eligible for it.

Any producer who is above the 50,000, if they happen to be non-family farms, they will not be eligible for any increases until, of course, the industry either expands or some other decisions are made.

MR. C. MANNES: Mr. Chairman, I'm trying to determine the maximum. Can everybody surpass the 30,000 maximum, or is it wiped off the books?

HON. B. URUSKI: Yes, everybody can surpass the 30,000.

MR. C. MANNES: I would ask the Minister then, how numbers within that industry, at what rate can we expect consolidation to take place within that particular supply/ manage area, and how will numbers, how will they be expected to decrease over the next five years?

Obviously now that the maximums have been changed, increased from 30,000 to 50,000, there would be great opportunities to see major consolidation within that industry.

Was the Minister not cognizant of that potential when he allowed the order to go through and, if so, what rationale can he give me?

HON. B. URUSKI: Mr. Chairman, there has been no consolidation of the industry in the last two years. In fact, there's been an expansion of 18 new producers established in the Province of Manitoba during this last year-and-a-half, and there's probably another five or six under way at the present time. So we will have over 20 new producers in the broiler industry in Manitoba, with no consolidations.

MR. C. MANNES: Mr. Chairman, I'm well aware, of course, within the broiler industry there's been massive, major increases in per capita consumption and, indeed, if there was one area in agriculture where there could be a significant number of new entrants, it could be within that area.

I personally don't take much solace from the fact that over the last two years, there have been somewhere in the area of 20 new producers come into an industry where there has been such a massive increase in demand for product. As a matter of fact, I'm a little disappointed.

So my argument still stands, Mr. Chairman, although instead of looking in the downside, I guess I can be just as critical in saying that the advent, or the entry number coming into that new industry has not been at all acceptable.

Again I would ask the Minister why he would allow the maximum to change from 30,000 to 50,000.

HON. B. URUSKI: Mr. Chairman, there are many producers who are presently I believe were near the 30,000 limit when, in fact, the sixth cycle came into being. You would have had a fair number of producers

who would have been over the limit and, Mr. Chairman, the decision was reached to say that the new levels should be with the maximum of 50,000 and basically separate all the family farm operations from the non-family farm in terms of grandfather rights. That's basically the rationale.

I don't accept the honourable member's version that somehow now with an expansion of 20 or more producers, is now all of a sudden unacceptable, and yet somehow it's livable in the other areas where there's been, in fact, a contraction in terms of the industry and the numbers of producers in the dairy industry, or others.

I guess you can argue with this one from both sides of the question, and I presume that it will occur tomorrow, and I would move that committee rise. — (Interjection) — Do you want to finish?

MR. CHAIRMAN: Is it the wish of the committee to continue until we're finished? (Agreed)

HON. B. URUSKI: Oh, okay, let her go.

MR. C. MANNES: Mr. Chairman, I forget the global figures associated with the amount of broiler production and consumption on a per capita basis that we have within the country. I can't recall those numbers. But I guess I remember how hard my colleague, the former Minister of Agriculture worked towards achieving a larger share on a global sense — and the Minister of Agriculture laughs, Mr. Chairman, because he again will move into this whole comparative argument and a natural comparative advantage argument on how he thought that we didn't stand up to that — but I'll preempt him a little bit and tell him that as a matter of fact we did consider it very significantly and yes, maybe we didn't go down to Ottawa and argue that we should have over base quota based on a 100 percent factor of comparative advantage, but we still gave it as high a rating as we thought that we could under the circumstances.

But, Mr. Chairman, I still can't accept the Minister's rationale at all with respect to this area because anybody that has particularly been raising, maybe not broilers, but certainly producing milk and producing eggs, has given the argument to the Minister and anybody within agriculture for a number of years, that they've had to set aside one-third of the space of their barns, through many of the cutbacks, because of increasing production in a lot of cases and leading to major inefficiency. I know there have been a lot of groups, or a number of groups that have come forward to the Minister and said well, I've got this unutilized portion of my barn in existence and if we could only fill that barn up again, then we would have maximum production, efficient, at the height of efficiency.

Yet it seems to me the Minister in rejecting that argument has been prepared to accept the argument on the other side, again based on efficiency, that six cycles are, of course, much more efficient than five.

So I ask him the question, how can he accept the rationale with respect to efficiency on one hand, which has directly caused fewer number of entrants into the industry that may have otherwise come into place and yet reject efficiency arguments in other supply

management areas? Because, whether you're talking about cycles, or you're talking about any increase in efficiency, the argument is still the same and comes down to a P and L at the end of the year.

So, Mr. Chairman, I wasn't aware of the fact that these maximums within that area had been increased by roughly 66.66 percent, and I certainly would be interested to hear the consistency of rationale that the Minister may be able to bring to this whole subject area.

HON. B. URUSKI: Mr. Chairman, as I indicated earlier on the broiler side, there would have been many producers who would have, I believe, been over the 30,000 limit with the sixth cycle, so that you would have had people — (Interjection) — pardon me? Well, for efficiency sake, you still would have been over the quota in terms of numbers of birds produced because you had a sixth cycle of production, you would have had X number of birds over. Let's say you were at 25,000 birds per cycle, and you would have received the additional quota, you would have, in fact, gone over in terms of your production — (Interjection) — yes.

In terms of the milk industry that the member speaks of, there was the recognition by council and by the government and by the milk board that a portion of the roll-over amount of quota that came back to the board in the transfers was in fact used to recognize the efficiencies of production by producers, and that factor was a recognition in the roll-over provision that was granted by the board.

In terms of people who made maximum use of their quota throughout the year, there was an increase provided by the board in that utilization factor. I may not be using the right words, but I think that's generally what the board considered. Although what it didn't do, it didn't allocate or had it retained the 20 percent, they could have allocated more quota towards new producers or producers wanting to expand who were on the list, and that did not occur because they basically rolled over everything, not just for increases in efficiency and production, they just rolled over the entire amount of quota.

In the broiler industry, we felt that we could in fact accommodate all the existing family farm producers within the existing quota by raising the maximum to 50,000 and it would not disrupt the industry or place it in a much more concentrated position but it has caused the expansion of the industry by 20-some producers this year. Now I assume that the argument — (Interjection) — pardon me? Oh, no, but it's been the expansion of the industry that caused it and there's been no contraction of the industry at all, consolidation of the industry at all in the last two years since that policy has been in place. Not one producer operation has been consolidated in the broiler industry.

So the expansion of the industry occurred, of course, as a result of a greater marketing and consumer preference for the product and expansion of the industry in that way. But on both sides, there's been an expansion, there's been no contraction.

MR. C. MANNES: Mr. Chairman, the Minister didn't give me rationale because there's no way one can give you a rationale, because supply management basically

is anti-efficiency. — (Interjection) — Anti-efficiency, Mr. Chairman. We were talking earlier about — (Interjection) — well, you see, now the Minister mixes up production efficiency with marketing efficiency and you can't marry the two under a supply-management system. I'm not going to argue that there haven't been massive production efficiencies come into place within the supply-managed areas, naturally they would be, because the net result of that is increased profitability.

But Mr. Chairman, the Minister, before when we were discussing dairy policy, indicated the tax system that was in place where some of us who had been members of the Natural Products Marketing Council previously attempted to withhold, when there was any transfer of quota within the dairy industry, pulled 20 percent of the quota hoping that the board would re-issue it to new producers. That in itself, Mr. Chairman, was an inefficient move. The board did the efficient thing; they took that quota and re-issued it back to their producers who were producing over quota in some cases, and who needed that quota to cover it because they were producing efficiently.

And yet the Minister, who had an opportunity, and the government which had an opportunity, to decide again within this whole area of broiler production where there was increased demand, had a chance to either offer efficiency through the sixth cycle or had a greater opportunity to offer new entrants in the business, chose the efficiency route. All I'm asking for is how a principle, by where they stand, and what their commitment is to the whole supply-management theme because it doesn't seem to be consistent. On one hand they'll accept efficiency; on the other hand they will want and they expect to see and hope for, new entrants, or at least a stabilization of consolidation.

So, Mr. Chairman, the Minister couldn't answer the question, because quite frankly, there was no answer he could give because there was no consistency or rationale that he could offer.

I would ask him another question with respect to our shares in the national sense, both within eggs and turkeys and of course within broilers, I would further ask him whether or not there is any over-quota — pardon me, over-base quota that's up for grabs or are our arguments still the same? Is the Minister being more successful in gaining a larger share for Manitoba, using the pure, natural comparative argument that he used to attack us for not using? Is he more successful in negotiations than in the past when he claims negotiations are not taken into account on some of those factors?

HON. B. URUSKI: Mr. Chairman, I believe the situation in terms of national discussions, I guess in retrospect could be characterized as an ongoing debate, but there have been moves to, I think, highlight or more clearly focus the whole question of comparative advantage and to quite frankly, because there have been changes made in the cost-of-production formula by several commodity groups, so we have had along with several other provinces, a number of appeals dealing with this whole question of over-base quota and the way a comparative advantage and cost of production is in fact calculated and factored in, so I guess when one would look at say a five-year span, specifically in terms

of chickens, as we've been discussing, there's been a major increase in terms of over-base quota in chicken.

There's been a modest gain in turkey production in terms of quota, and there are still what I would say, ongoing difficulties in eggs in terms of questions as to how one calculates, whether one calculates chickens or one calculates eggs. — (Interjection) — We're back to the old chicken and egg question and the dispute between Ontario and Quebec continues with the close-to-border production and those discussions are ongoing. There is some work in terms of how this whole question is to be calculated but they are ongoing.

That's basically the latest information that I have, Mr. Chairman.

MR. C. MANNES: Mr. Chairman, the Minister didn't indicate in his answers particularly within the broiler area, whether or not we were holding on to our 4 point — I don't know, 4.16, I know it's out to two or three decimal places — whether we still have that percentage, or has it dropped below 4 percent, which of course, for the most part reflects Manitoba's population as a ratio of the Canadian. Maybe he could tell us whether or not our egg share is still — (Interjection) — or has it crashed far below 11? Maybe he can tell us to what level it's dropped, and also our turkey production share.

HON. B. URUSKI: Mr. Chairman, in the chicken area, we've moved from about 3.92 to 4.33 in the chicken area of the new national base; and the Egg Marketing Board, we continue, there has been no change in the egg marketing area of 11.408.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, I would like to ask the Minister whether — this is going back to the 99 laying hens, the 499 laying hen flocks — an individual for some three years was battling and scrapping over his 499 laying hens. He was your typical young farmer trying to get his feet firmly into the agricultural business working with his father. He had his 499 laying hens — marketing the eggs. He was doing it partially, as the Minister suggested, through local outlets, not going through an egg grading station; hence that production wouldn't be part of his overproduction which caused his clamp down on the 99 birds.

But he ran into the interesting situation of any eggs for the last, oh, ending about six months ago, because he finally gave up. But for about a year prior to that, he was finding his levies through the egg grading system going up and more and more impediments to him marketing, coming in. This was all happening at the same time we were moving towards the 99 laying hen regulation for anyone newly entering the market.

In effect, what has happened is that with the combination of the Minister's desire to have the number reduced from 499 to 99, people who were operating within as existing flocks at the 499, which the Minister indicates his change in regulation had no effect on, seems to me that there was a very definite act of discrimination against the small flock, the 499 bird flock, that was legal according to even the new regulations because it was an existing flock; that those small producers were finding their levies going up in an

uncontrolled way and impediments and obstacles through the egg grading system. He was even trying to ship eggs to Alberta to try to get rid of his production and it got to the point where his levies, his deductions for grading, etc., etc., were so high that he had no net income from the flock and ended up getting out of it.

Now the Minister is going to say that had nothing to do with his policy. Technically, he might be correct; but by the very fact that this Minister complied with the desire to pass the regulation to reduce any newcomer to the business to 99 birds from the 499, it set a mental attitude in the industry that the small producer is going to go when they are going to get him out one way or another, and that fellow is now gone.

Well, the Minister shakes his head, and I know that he would shake his head because he doesn't want to take any of the political blame for having small producers out of the business, but that in fact happened. The levies got up so that he, as a legal 499 bird-flock producer, could no longer afford to produce for that narrow market that he was in any time he used the egg grading system. The levies were so high he was forced out of it.

Mr. Chairman, in the other area of the broilers, here we have the classic example. It was indeed interesting to follow the discussion between my colleague, the MLA for Morris, and the Minister on the broiler flocks. Here we've got a Minister who purports to support the small family farm, who purports to want to get young people into agriculture, and here we've got in the broiler flocks a Minister that changed the regulation from 999 in an unlicensed flock to 499 and indeed less for new producers, and the board will prevent producers coming in at 499. They'll have something less, or if you're at 300, you certainly can't go to 499. That's happening.

The Minister isn't aware of it, but he should just simply check with a few of the letters that he has from these producers that have been complaining to him.

Now here we've got the bizarre circumstance where the Minister has allowed some of the major producers to go through the sixth cycle, because in this particular market-controlled commodity, we've got an increase in demand where volumes of production are going up in the broiler industry, because demand is there for increased production.

This Minister, at the same time that he has allowed the major producers, and he is laughing about it. You know the Minister can make light of this, but while he allowed a sixth cycle to major producers, basically no limits as to the 30,000 that he is talking about here, that's no longer a maximum limit. He has put in place a regulation which denies a young starting farmer from having 999 broiler birds in a market where there is increasing demand, Mr. Chairman, and he has cut that production capability from the small family farm and placed it in the hands of the major producer and he at the same time says well, I'm all in favour of small family farms. But his policy, his regulation that he passed, discriminates against any small producer.

An example I want to give him is of a family farm in the Roland area. He has the correspondence for several years running on his desk. As the children get older and get up to about six or seven years, they have had a habit of having each child get 100 to 150 broilers. They are well under the 999 under the old regulation.

But as each new child comes up to that magic age of six or seven where they can take some responsibility to produce that extra 150 birds, this Minister and his new regulation has denied that family farm the opportunity for their children to produce 100 to 150 broilers for the market, because they can no longer go to 499.

They grandfathered the 300 they had, that's all they are licensed for, and the weak-kneed excuse that's used is that well, you know, you could go to 500 birds, but you can only get the 300 you are licensed for processed in a licensed processing plant. The other 200, if you produce them, you've got to go someplace else and get them produced and not provide the consumer with inspected meat. That's the Minister's suggested alternative as is it for the 499 laying hens that you don't sell them through an egg grading station; you peddle them independently.

While the Minister has allowed major producers to get bigger, he has denied small family farm operations from even growing to the former 999 bird level that was there. He denied them down to 499 and less.

Mr. Chairman, that in the broiler industry is in an industry where the demand is growing, where they're not impacting upon the major growers. The conclusion that these farmers who are trying to have their children produce 100 to 150 broilers for some pocket money and to give them some incentive to do something, to learn the value of a dollar and the hard work of making a dollar, to teach them some values in farming, they are denied that opportunity by this Minister and yet he stands up and says he is defending the small family farm operation. I think the Minister should seriously reconsider the regulation he passed in terms of broilers.

I am willing to admit defeat on behalf of the small farmers in Manitoba in terms of the laying hens because I accept the fact that egg production and the demand for eggs is not leading to increased production. It's a steady or a slightly declining market. But in broiler hens, Mr. Chairman, and broiler chicken, I will not accept this Minister's argument that we have to cut back from a 999 bird regulation to 499 and less because all he is doing when he makes that change in regulation is protecting the very largest of the producers and discriminating against the very smallest family farm producers. That's against anything I believe in, in terms of my policy and what I believe family farms should be directed towards. It should be against this Minister's beliefs, as well, because he claims to be a New Democrat who protects the little guy against the big guy and his policy in broilers has played into the hands of the major producers and discriminated against the small family farms.

HON. B. URUSKI: Mr. Chairman, I want to indicate to my honourable friend, even though he says he has conceded the whole argument on the egg situation, that all levies that are paid by an unregistered producer to the board, whether it's the CEMA levy or the board operation levy, are refunded by April 1 of the next year by the board. There are no levies that are kept by the board. They are taken off at the time of sale.

Where I agree with my honourable friend is in terms of how the grading stations treat the unregistered producers because of the small volumes of eggs that

they ship through them in terms of the processing cost. There have been substantial reductions and we have had those complaints and they are accurate. The grading stations, quite frankly, have to devote a major amount of time for a small amount of eggs, and, as a result, they do penalize the producers who ship those eggs in those small quantities, and it is a problem. There is no doubt that producers of unregulated or unregistered product in small quantities do receive substantially less for the product than the others because, basically, the grading stations, quite frankly, I would say take the attitude they don't want to be bothered with the product, that product should have been sold in the community through local markets as it was intended to, and they don't want to entail the extra costs of that amount of candling and grading that has to take place. So there is no doubt the complaint is valid that the honourable member raises in terms of those producers.

In terms of the broiler question, in order to be able to prevent the penalty that is levied by the national agency, in terms of provincial production of unregistered product, the only way to maintain that kind of exemption was to say that that product should not be processed through the plants because when it was processed through the plants all the unregistered products would, in fact, be recorded and penalties would have to be charged to registered producers.

MR. D. ORCHARD: Mr. Chairman, you know, the Minister has tried to confuse the issue, and I give him credit for skillfully trying to confuse the issue on the broilers. The point is that Manitoba, in terms of not percentage of market share but in terms of total production has been going up. That's what has allowed him to increase the upper limits for the larger producers. And, while he has done that, he has put the clamp on the smaller producers that could well have been part of that increased production in terms of pounds of volume of production, not percentage of market share, and he's chosen to deny it from the smaller farms and give it to the larger producers. That's the argument I'm making that is absolutely wrong for this Minister to do and the New Democratic Party to do.

I'm sure there are members in the New Democratic Party, when they think about it, will agree with me. It is not a political issue. It shouldn't be a political issue except that this Minister has got caught up in allowing the increase in production to go to the larger producers at the same time he has cut back the licence to small unlicensed producers' flock sizes. He has forced them to go underground with their processing if they are going to maintain their flock sizes, and that is hardly something we should be doing in a time of increased demand for that meat product.

The Minister has allowed it to happen, and it has repercussions to the smallest producers in Manitoba, the smallest family farm producers who used to have the ability to go to 999 broilers. They don't have it now because he changed the regulations, and it isn't the same as eggs because in the broiler market we've got an expanding volume of production in Manitoba that he is reallocating to the larger producers at the expense of the small producers.

That's what this Minister's policy has done in broilers. It's wrong, it is discriminatory against the young starting

farmer and his family, and it doesn't assist the consumer and it doesn't help anybody except the larger producers. This Minister is captive of the largest producers of the province of Manitoba, and has said, I don't care about the small unlicensed producer. That's the simple nuts and bolts of it in the broiler industry.

I'm not talking market share; I'm talking allowing some of that increased volume of production to be done by small unlicensed flocks and still allow them to kill through the plant, and it wouldn't affect your quota one iota.

The way it affects your quota is because you've already given that additional production volume to the larger producers, that's where you made your original mistake and you discriminated against small producers in so doing.

HON. B. URUSKI: Mr. Chairman, I can appreciate what my honourable friend is saying. However, he should remember, and I should advise him that the marketing board did have the authority to allow the sixth cycle without any approval from the marketing council in terms of the increase in quota that would have brought about, those efficiencies that would have brought about and increased production that would have brought about.

A negotiated change did occur two years in this whole area whereby we moved from square footage of production to actual poundage of production on an annual basis, and we were able to lock that in to those as a result of the sixth cycle so that the analogy, while there is some validity to what he is saying, we did prevent the major expansion by individual producers

by locking in the total production available to producers by pounds rather than by square footage when we went to the sixth cycle. That could have been dealt with by the board without our permission because they had that authority to do so, and we negotiated that change away from that production cycle to poundage.

MR. D. ORCHARD: Mr. Chairman, I agree that the Minister still has a situation exactly as I described where the larger producers are producing more pounds of meat and the smaller producer is able to produce less. That's been a policy that he has now formalized in his regulation change and it discriminates against the small family farm.

Mr. Chairman, I've got another area that I want to get into in terms of cheese production, and I would suggest that committee rise.

MR. DEPUTY CHAIRMAN, D. Scott: Committee rise.
Call in the Speaker.

IN SESSION

MR. DEPUTY SPEAKER, C. Santos: The Minister of Agriculture.

HON. B. URUSKI: Mr. Deputy Speaker, I move, seconded by the Honourable Member for Virden, that the House do now adjourn.

MOTION presented and carried and the House adjourned and stands adjourned until 2:00 p.m. tomorrow (Tuesday).