

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 10 September, 1986.

Time — 2:00 p.m.

OPENING PRAYER by Madam Speaker.

MADAM SPEAKER, Hon. M. Phillips: Presenting Petitions . . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, the Committee of Supply has adopted certain resolutions; directs me to report the same and asks leave to sit again.

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

MOTION presented and carried.

MADAM SPEAKER: The Honourable Member for Inkster.

MR. D. SCOTT: Thank you, Madam Speaker.

Madam Speaker, I beg to present the third report of the Standing Committee of Statutory Regulations and Orders.

MR. CLERK, W. Remnant: Your Committee met on Monday, September 8, 1986 at 8:00 p.m. to consider Bills referred. Your Committee heard representations on Bills as follows:

Bill No. 14 - The Manitoba Energy Foundation Act; Loi sur la Fondation manitobaine de l'énergie;

Ms. Wendy Barker - Consumers' Association of Canada (Manitoba).

Bill No. 52 - The Manitoba Medical Association Fees Act; Loi sur les droits de l'Association médicale du Manitoba;

Dr. Arnie Laxdal - Private Citizen

Dr. Henry Krahn - Private Citizen

Dr. Jeremy Gordon - Association of Independent Physicians

Dr. J.B. Sutherland - Manitoba Medical Association

Dr. S.D. Baragar - Manitoba Medical Association

Dr. J.D. Armstrong - Manitoba Medical Association

Dr. L. Bartlett - Manitoba Medical Association

Dr. N. Donen - Manitoba Medical Association

Dr. R. Midwinter - Manitoba Medical Association

Mr. John La Plume - Manitoba Medical Association

Dr. Tom Fisher - Private Citizen

Your Committee has considered:

Bill No. 12 - An Act to amend The Legislative Assembly and Executive Council Conflict of

Interest Act and The Legislative Assembly Act; Loi modifiant la Loi sur les conflits d'intérêt au sein de l'Assemblée législative et du Conseil exécutif et la Loi sur l'Assemblée législative; Bill No. 15 - The Manitoba Energy Foundation Act; Loi sur la Fondation manitobaine de l'énergie;

Bill No. 20 - The Statute Law Amendment Act (1986); Loi de 1986 modifiant le droit statutaire; Bill No. 52 - The Manitoba Medical Association Fees Act; Loi sur les droits de l'Association médicale du Manitoba;

Bill No. 57 - An Act to amend The Municipal Assessment Act and The City of Winnipeg Act; Loi modifiant la Loi sur l'évaluation municipale et le Loi sur la Ville de Winnipeg;

And has agreed to report the same with certain amendments.

Your Committee also considered:

Bill No. 55 - An Act to incorporate The Royal Winnipeg Rifles Foundation; Loi constituant en corporation "The Royal Winnipeg Rifles Foundation";

And has agreed to report the same without amendment.

MADAM SPEAKER: The Honourable Member for Inkster.

MR. D. SCOTT: Madam Speaker, I move, seconded by the Honourable Member for Burrows, that the report of the Committee be received.

MOTION presented and carried.

MADAM SPEAKER: The Honourable Member for Lac du Bonnet.

MR. C. BAKER: Madam Speaker, I beg to present the first report of the Committee on Agriculture.

MR. CLERK: Your Standing Committee on Agriculture presents the following as their First Report:

Your Committee met on Monday, September 8, 1986 at 8:00 p.m. and Tuesday, September 9, 1986 at 10:00 a.m. and 8:00 p.m. in Room 254 of the Legislative Building to consider Bills referred. Your Committee appointed Mr. Baker as Chairman.

Your Committee heard representations on Bill 4, The Family Farm Protection Act; Loi sur la protection des exploitations agricoles familiales, as follows:

Mr. Jack Penner on behalf of Keystone Agricultural Producers Inc., Manitoba Pool Elevators Ltd. and United Grain Growers;

Mr. Bob Munroe, Manitoba Cattle Producers' Association;

Mr. Rick Armitage, Land Exchange (Landex) Ltd.;

Mr. Sam Schellenberg, Vice-President, Manitoba Chamber of Commerce;

Mr. Gary Parks, Realtors' Land Institute;

Mr. Jack McDonald, Canadian Bankers' Association;
Mr. William Halabura, Agricultural Research Management and Consultants Ltd.,;
Mr. Mai Anderson, Credit Union Central of Manitoba.

Written Submissions:

Western Fertilizer and Chemical Dealers Association;
Manitoba Corn Growers Association Inc.

Your Committee has considered:

Bill No. 4 - The Family Farm Protection Act; Loi sur la protection des exploitations agricoles familiales;

Bill No. 22 - An Act to amend The Agricultural Credit Corporation Act; Loi modifiant la Loi sur la Société du crédit agricole.

And has agreed to report the same with certain amendments.

MADAM SPEAKER: The Honourable Member for Lac du Bonnet.

MR. C. BAKER: Madam Speaker, I move, seconded by the Honourable Member for Inkster, that the report of the Committee be received.

MADAM SPEAKER: It has been moved by the Honourable Member for Lac du Bonnet, seconded by the Honourable Member for Inkster, that the report of the Committee be received. Agreed?

MADAM SPEAKER: All those in favour, say Aye; all those opposed say Nay. In my opinion the ayes have it.

The Honourable Opposition House Leader.

MR. G. MERCIER: On division, Madam Speaker.

MADAM SPEAKER: The report of the committee shall be received on division.

The Honourable Minister of the Environment.

HON. G. LECUYER: Madam Speaker, as already forecasted in the Throne Speech and indicated in my departmental Estimates, I would like to table for the record of this House and for the information of members a discussion bill and accompanying background paper which marks the first step in a process which will lead to the introduction of major environmental protection legislation for the next sitting of the Legislature.

Manitoba's present Clean Environment Act was first passed in 1968. This legislation has served the province well under the several administrations. All of our major communities now provide some form of treatment for their wastes. Industrial emissions are controlled, accidental contamination of the environment is being dealt with when it occurs. These are the types of things that the act was intended to accomplish. But much has happened in the almost two decades of its existence. We now know much more about the subtle, long-term and synergistic effects of contaminants on the environment. It is clear that we are faced with environmental risks unknown to us until quite recently.

In addition, we have to deal with more new and exotic contaminants each year. We now realize that there are many more actions besides the release of contaminants which can dramatically affect our environment. It is clear that in spite of our best efforts under the present legislation, that environmental degradation continues to occur.

A gradual but dramatic change has also occurred in society's environmental values. The broad issues of species extinction, resource depletion and so on of the late Sixties have been increasingly supplemented by a much more focused and direct concern. People see the quality of the environment directly affecting their well-being, not just physically but spiritually and economically. They want the law of the land to reflect how very seriously they view the issue of environmental degradation. Finally, the public wants a greater opportunity to have its views taken into account when decisions affecting environment are made.

To continue to amend the present legislation piecemeal to meet today's and tomorrow's circumstances is no longer acceptable. New legislation is required which will embody new principles which will see our environment safely through the coming years. The principles that this government considers fundamental to the new environmental legislation are as follows:

Firstly, the scope of environmental protection in the province must be broadened. This means that the definition of "environment" that will be protected by law will be widened, as well as the range of actions with potential for harming the environment which will be subject to the legislation.

Secondly, the process by which the emission of contaminants into the environment is controlled must be made more efficient and effective.

Thirdly, the environment regulatory process must be integrated. A project proponent and the affected public should not have to go through one process for the review of emissions, and another process for review of other potential impacts not related to emissions.

This marriage of pollution control and environmental impact assessment principles will signal a new departure in Canadian environmental law.

Fourthly, public consultations and participation relating to environmental management must be strengthened.

Finally, the environment provisions of the environmental regulatory process must also be strengthened.

These then, Madam Speaker, are the principles. The discussion bill presents one set of alternatives for achieving them. There may be many other ways to reach the same objectives.

I stress, Madam Speaker, that this is a draft discussion bill which will be out there for consultation, and it presents some specifics, there may be others, and that is the type of feedback we will be looking for. We want the public's views before drafting the legislation which we will introduce in the next sitting of this Legislature. The tabled documents outline an extensive public consultation process which will take place between now and early next year.

I am looking forward to substantial public input into Manitoba's new environmental legislation which I am convinced will help make it the most progressive of its kind in Canada.

MADAM SPEAKER: The Honourable Member for Niakwa.

MR. A. KOVNATS: Thank you, Madam Speaker.

I have listened intently as the Honourable Minister read the release concerning The Clean Environment Act changes for the coming Session, and I have to be shown, because there's a lot of good things in here that we agree with, Madam Speaker, that have to be done because the environment is changing daily and we have to keep up with these changes, but from past performance we see that they are very, very slow to keep up with these changes.

I understand that there have been some monies that have been allocated to protect the environment and some of the different species in the environment, and the government has been very slow to act on this and contribute the same amount of monies that have been contributed to the government to investigate and look after some of these species.

I think that we will have to be shown. I think the intents are good, but from past performance I think that we'll probably fall a lot short from achieving the goals that the Honourable Minister hopes to.

MADAM SPEAKER: The Honourable Minister of Housing.

HON. M. HEMPHILL: Madam Speaker, I would like to table the Annual Report 1985-86 for the Manitoba Horse Racing Commission.

MADAM SPEAKER: I would like to table the Annual Report of The Elections Finances Act, 1985.

Notices of Motion . . . Introduction of Bills . . .

ORAL QUESTIONS

MTS - judicial inquiry re MTX

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Yes, Madam Speaker, my question is for the Premier.

In view of the fact that a former New Democratic Cabinet Minister, indeed a former Minister responsible for the Telephone System, Mr. Uskiw, has stated that he believes a full public inquiry into the affairs of MTX should be held, will the First Minister be consulting with Mr. Uskiw and perhaps reconsidering his position?

HON. H. PAWLEY: Madam Speaker, I can fully understand the misunderstanding that is out there in the public because yesterday we were advised that the former auditor had spoken to Mr. Jackson, had spoken to Mr. Miller, Mr. Miller had spoken to Mr. Uskiw, all of those, so it was claimed, by the Leader of the Opposition who said that he'd verified it by personal conversation with Mr. Ziprick, that Mr. Ziprick had raised questions specifically of kickbacks. That is what the Leader of the Opposition said yesterday. I have verified this information in discussion with Mr. Ziprick in that he was made aware of allegations of kickbacks.

Madam Speaker, my office this morning has been in contact with Mr. Ziprick. He has no recollection of any

specific reference on his part to kickbacks. In view of that, I think the Leader of the Opposition should do as the CBC did last night and apologize, to honour the name of the former auditor of this province, provincial auditor, Mr. Ziprick. A reflection has been cast upon that name; uncertainty has been created by a specific statement by the Leader of the Opposition that he verified with Mr. Ziprick allegations of kickbacks. There should be withdrawal; that would be the honourable thing to do.

MADAM SPEAKER: May I remind honourable members that answers to questions should be brief and not provoke debate.

The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, in view of the fact that yesterday this Premier, in response to that same question, said, and I quote, "He was only advised by Mr. Ziprick of a padded expense account and that padded expense account allegation was thoroughly checked out and as I advised yesterday, was found to be an allegation without substance." Yet Mr. Jackson is quoted as saying, after this information yesterday, that he was informed about the integrity of some MTX transactions, the collectibility of accounts receivable, and MTX's ventures viability. He also said as well in another statement that the lack of accounting records had been raised to him. So in fact the Premier misled us and gave us incorrect information on the matter.

MADAM SPEAKER: May I remind the honourable member that quotations from extracts of newspapers are not in order.

The Honourable Leader of the Opposition with a question.

MR. G. FILMON: Madam Speaker, given that Mr. Uskiw has considerable experience in dealing with Crown corporations, as a former Minister responsible for the Telephone System, as a man well-respected by people of all political stripes and understands the workings of government, would the First Minister consider appointing Mr. Uskiw to commission a public inquiry into the affairs of MTX?

HON. H. PAWLEY: Madam Speaker, no I won't ask Mr. Uskiw to investigate himself. The fact still remains that the day before . . .

MADAM SPEAKER: Order please, order please. Order please.

The Honourable First Minister, to finish his answer.

HON. H. PAWLEY: Madam Speaker, what is in issue is not Mr. Uskiw, but information that was brought to this House by the Leader of the Opposition yesterday. If the Leader of the Opposition for a moment relates to my answer the day before, he will see that I reported collectibility of accounts in other areas. The information brought to the House yesterday by the Leader of the Opposition was of kickbacks. He said he had verified that with Mr. Ziprick; that is denied by Mr. Ziprick. It is the Leader of the Opposition who should apologize, as the CBC did last night, do the honourable thing and

honour the name of the former Provincial Auditor of this province.

MR. G. FILMON: Madam Speaker, Mr. Ziprick knows full well this First Minister . . .

MADAM SPEAKER: Order please, order please. I remind the honourable member that question period is a time for seeking out information, not giving it.

MR. G. FILMON: Mr. Ziprick has said that this government is grasping at straws in arguing over the use of the word, "kickback."

MADAM SPEAKER: Order please. Order.
Does the Honourable Leader of the Opposition have a question?

MR. G. FILMON: Madam Speaker, in view of the fact that the Premier is unwilling to answer the question about the public inquiry and Mr. Uskiw's recommendation, is it because any of his Ministers are implicated in this matter that he does not want to have a public inquiry?

HON. H. PAWLEY: Madam Speaker, the Leader of the Opposition is in trouble. In his question, he used the word, "kickback." I did not use the word "kickback." That statement has been clearly refuted. The allegation that was smeared across this Chamber by the Leader of the Opposition implicated Mr. Jackson, Mr. Uskiw, Mr. Miller. All that has been refuted now by Mr. Ziprick. It is up to the Leader of the Opposition to apologize for charging kickbacks, based upon information that appears not to have been verified. It is up to the Leader of the Opposition to apologize.

MR. G. FILMON: Madam Speaker, my question to the Premier is: When will he answer the questions we're asking and when will he apologize for the misinformation he put on the record yesterday in question period?

HON. H. PAWLEY: Madam Speaker, I feel sorry for the Leader of the Opposition.

I placed no misinformation on the record. The Leader of the Opposition clearly placed misinformation on the record when he stated, "The Premier said," and I quote, "the allegations of the Auditor in December of 1984 apparently did not include any reference to bacheish. Now in view of the fact that Mr. Ziprick, the then Provincial Auditor, is today quoted as saying, and I have verified this information," he says, "in discussion with Mr. Ziprick, that he was made aware of allegations of kickback."

Madam Speaker, who misrepresented the facts yesterday in this House? Who ought to be apologizing to this Chamber? The Leader of the Opposition.

MR. G. FILMON: . . . but it's this Premier, who misrepresented the facts yesterday in question period. When is he going to answer the question about Mr. Uskiw's call for a public inquiry?

Bill 4

MADAM SPEAKER: That question is repetitious.

The Honourable Member for Virden.

MR. G. FINDLAY: Thank you, Madam Speaker. My question is for the Minister of Agriculture.

In its brief on Bill 4, the credit unions of Manitoba highlighted the fact that the Saskatchewan Government has put in place very meaningful farm support programs.

MADAM SPEAKER: Order please. Order please. The Honourable Member for Virden has the floor. Could we please hear his question.

MR. G. FINDLAY: Thank you, Madam Speaker.
In his brief on Bill 4, the credit unions of Manitoba highlighted the fact that the Saskatchewan Government has put in place very meaningful farm support programs for 1985 totalling in excess of \$1 billion. In other words, that province has put its money where its mouth is. The credit unions also stated that 90 percent of their problem farm accounts need a cash injection before next spring.

I would like to ask the Minister, Madam Speaker: when is he prepared to make an announcement of a meaningful farm financial program to help our beleaguered family farms in Manitoba?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, just to make reference to the same brief that the member quoted from. It was also acknowledged by the Credit Union Central that the loan funds that are provided by the Saskatchewan Government of course assisted and they went through two years of drought which Manitoba did not go through. Nevertheless, Madam Speaker, it should be noted that the net benefits to farmers of Saskatchewan, if you compare them to the farm size in Manitoba average about, on Manitoba's size, between \$400 and \$500 per farm for one year interest rate reduction, given the loan funds that have been provided. That's what it would amount to. If you look at \$25 an acre on an average farm size of \$600 an acre in Manitoba, you take the difference in interest between say 6 and 9 percent at the time, it amounts to about \$450 per farm.

Nevertheless, Madam Speaker, we will continue to provide the guarantees that we have provided in terms of the loan guarantee program which have been in place for three-and-a-half years, which have provided over \$100 million of guarantees. We will continue to negotiate with the financial institutions on the package of loans and loan guarantees dealing with our legislation; but we will not, Madam Speaker, allow the Federal Government to shirk its responsibility to the grain industry as honourable members opposite wish us to do, Madam Speaker.

MR. G. FINDLAY: Given that the credit unions also told the Ag Committee that because the presence of Bill 4 will definitely reduce the money available to farmers in the spring of 1987, is the Minister prepared to announce a program similar to Saskatchewan, which he just referred to, the 6 percent operating money, make it available to the farmers of Manitoba in 1987?

HON. B. URUSKI: Madam Speaker, recognizing the seriousness of the farm situation, in fact, it may be more serious than is let on by statistics that have been put forward by federal officials that in Western Canada the number of farmers in financial difficulty will rise from 14,000 to some 30,000. In fact, Madam Speaker, being that the situation may be even more serious than that, it certainly will not assist, to a great degree it will help and we will certainly look at that situation. But what is required, Madam Speaker, are acts of federal responsibility to the grain industry that have been put forward by the Western Premiers and by Ministers of Agriculture, a National Operating Loan Guarantee Program to complement provincial programs and a massive deficiency payment to put grain prices where they were in this past crop year. That is the minimum that is required as a national effort, Madam Speaker.

MR. G. FINDLAY: Given that the Minister has indicated there is a serious situation out there, can he tell the House if he has a task force in place to develop a strategy for the Province of Manitoba to deal with this problem in the next two to three months, so he can make an announcement prior to the spring of 1987?

HON. B. URUSKI: Madam Speaker, it appears again that honourable members opposite want to continue to leave the Federal Government free from their responsibility. Madam Speaker, that's clear in the tone of questions that we have seen in this House whenever they wanted to raise agriculture, when they had nothing else to raise because everything else in this House seemed to be more important than agriculture.

Madam Speaker, what is required and what was required and asked for at the Premier's Conference and at the Minister's Conference was a federal commitment to the farmers of this country. Madam Speaker, they made a commitment to the oil industry. Why can't they make a commitment to the farmers of Western Canada?

Flyer Industries

MADAM SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you, Madam Speaker. My question is to the Minister responsible for Flyer Industries.

I wonder if the Minister can inform the House of the status of the negotiations between the government and Chicago Bus as to whether those contracts have been received as yet.

MADAM SPEAKER: The Honourable Minister of Finance.

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

In response to the question from the Member for Sturgeon Creek, those discussions have continued, they have progressed favourably, but the actual documents haven't been signed and I'll have to take as notice the question as to when they will formally be signed.

MR. F. JOHNSTON: Madam Speaker, I ask this supplementary question to the Minister with concern,

because in committee, they said it was a matter of days that they would be signed, the negotiations. If they are not signed by the time in the agreement, which is this fall, it will cost the province over \$700,000.00. Madam Speaker, I would ask the Minister what efforts are being put forward to see that these contracts are signed and is Flyer Industries involved with the signing of the contracts as well as the government?

HON. E. KOSTYRA: As I indicated, there has been considerable work done on that since the time the committee last met to consider the annual report of Flyer Industries. The latest report I have is that the negotiations have been successful led by the Manitoba Development Corporation. It's a matter of getting the necessary documentation and getting that agreement signed with the Chicago Transit authority. As I indicated, I will provide information as to when we expect that to be formally signed.

MR. F. JOHNSTON: A supplementary, Madam Speaker.

Because we were told that it was going to be signed almost immediately in committee, the Minister is now saying that the negotiations are all done and the documentation just has to be signed, can the Minister assure this House the Province of Manitoba will not have to pay out over \$700,000.00?

HON. E. KOSTYRA: Madam Speaker, as I indicated, that has progressed favourably. I don't recall the specific reference from committee that it would be a matter of days that it would be signed, but I'll certainly check that reference and check it with the Chairman of the Manitoba Development Corporation, but I think he did indicate that it would be done as soon as possible, but he expected it to be done prior to the dates that the member mentioned. The latest report I have is that still is the case and it's a matter of now concluding the formal documentation, but there has been an agreement reached that would conclude that matter.

MR. F. JOHNSTON: Well, Madam Speaker, I asked the Minister if, because the negotiations are done and the documentation is ready, he can assure this House that the province will not have to pay out over \$700,000.00.

HON. E. KOSTYRA: Madam Speaker, I'll answer the question again.

The latest report I have is that the negotiations have been successful, that we're awaiting the formal signing of the documentation, I'll find out when that takes place and obviously once that documentation is signed, then those undertakings that might be required if the documentation wasn't signed will not be needed.

Free trade and Hydro exports to U.S.- protests re

MADAM SPEAKER: The Honourable Member for Kildonan.

MR. M. DOLIN: Thank you, Madam Speaker. My question is to the Minister of Energy and Mines.

I note that some opposition aside from that expressed previously by members opposite is now being expressed

by, I believe, the Governor of North Dakota, and some of the protectionist congressman about the free trade and Hydro exports, has the Minister gotten any information lately on what these protests are?

MADAM SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Thank you.

I have received some material pertaining to some comments that were made primarily by the U.S. Coal Lobby who were objecting to Canadian power sales to the United States ostensibly because we didn't have scrubbers on our smokestacks. Furthermore, I believe that the Governor of North Dakota also indicated that he was concerned about the volume of Hydro sales and, again, I think he was using information that was provided to him by the U.S. Coal Lobby that has turned out to be terribly inaccurate.

For example, he indicated that by 1995, the Midwest Area Power Pool would be importing from Canada something in the order of 18 million megawatts, when the truth of the matter is that we have signed a contract for 500 megawatts and are in the process of negotiating final sale for 550 more megawatts, which would lead to a total of 1,000 megawatts, not 18 million megawatts, so I think that the information that has been provided has been inaccurate.

The federal trade negotiator in the United States has said that they would take those objections into account and look at their accuracy. We believe that they are inaccurate and they'll be shown to be inaccurate.

MADAM SPEAKER: I'd remind Honourable Ministers that answers should be brief.

The Honourable Member for Kildonan with a supplementary.

MR. M. DOLIN: Madam Speaker, since free trade negotiations are going on, will the Minister make representations to ensure the people of this province that the matter of Hydro export sales by Manitoba Hydro will not be on the table and will be as sacrosanct as social programs in the free trade negotiations?

HON. W. PARASIUK: Madam Speaker, I believe that from the Canadian perspective that they would certainly ensure that Manitoba and Canada's interests are protected. I think that the Americans may possibly bring a whole set of issues to the table, but I would expect that the Canadians would be very clear on what our interests are.

In that respect, I believe that even the Americans themselves will have second thoughts, because I have a document here by the Secretary of Energy, John Harrington, the American Secretary of Energy, whereby his staff are quoted as saying, and I quote - it's just a small paragraph, but I think it clears the issue about the American Government position with respect to electrical sales - "We believe that Canadian electricity imports are economically viable and reliable on a national security basis, especially in the face of other hindrances to domestic power plant development. Any efforts to impede these imports would unduly penalize the U.S. energy consumer, would be counter to our

free market principles, and would not address the real reasons for concerns over U.S. ability to ensure adequate supply of electricity . . ."

MADAM SPEAKER: Order please.

HON. W. PARASIUK: . . . "at reasonable costs in the future."

So the position of the American Government is very clear on this, Madam Speaker, and we are completely within it.

MADAM SPEAKER: Order.

The Honourable Member for Kildonan with a final supplementary.

MR. M. DOLIN: Madam Speaker, final supplementary.

Could the Minister, or in consultation with the First Minister of the province, request that the Prime Minister make these concerns known to our chief negotiator, Mr. Reissman, so these items do not enter into the bargaining table as part of the free trade negotiations.

MADAM SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Madam Speaker, I notice a certain concern on the part of the Conservatives not to discuss this particular issue, but I can assure the member that the Premier will be taking this up with the Prime Minister at the September 17 meeting, and I can appreciate the Conservative concern because - and this may be unfair to the Member for Lakeside in terms of how the Free Press has quoted him - but he is quoted as saying that he supports the U.S. coal lobby.

Madam Speaker, I believe if that is true, that's an astonishing statement and I would not expect the Member for Lakeside to become a "Tokyo Rose" of the U.S. coal lobby.

MADAM SPEAKER: Order please. May I remind honourable Ministers that answers should not provoke debate.

The Honourable Member for Brandon West.

Brandon General Hospital cutbacks

MR. J. McCRAE: My question is directed to the Minister of Health.

MADAM SPEAKER: Order please. Order.

MR. J. McCRAE: My question is directed to the Minister of Health.

Last week, the Minister of Employment Services and Economic Security told us that the matter of the utilization rate at Brandon General Hospital has been referred to a third party review. In the meantime, 31 beds, the whole east wing of the 5th floor of Brandon General Hospital has been closed, a cutback in vital hospital services.

People are spending the night sleeping in the corridors. There's a waiting list somewhere around 900 people. Instead of prejudging the review and forcing the cutbacks at Brandon General Hospital, why won't

the Minister provide the funding necessary to keep the beds open while the study is being done? Sick people in Western Manitoba would appreciate it if the Minister would do that.

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: I answered that a couple of weeks ago and it's the same answer.

First of all, there is no cutback at all. It is a hospital that could not stay within their budget and they - (Interjection)- That's right, a cutback is in the funds. It is a decision . . . If you know the answer, don't ask me; and if you don't, wait till I answer you.

MADAM SPEAKER: Order please.

HON. L. DESJARDINS: What's the question? Have you got another question?

A cutback is when you give something and take it away. This wasn't done at all. They had all their funds; they did not stay within their estimates and I'm sure that I'm being supported by my friend from Morris, who's worried about the deficit. Oh, you're not worried about the deficit. Okay, that's another story. I thought there was one at least who was worried about the deficit.

When there was a third party that looked at it, from the university, they were told that we would pay for the wages of the extra people they had hired. It was then, after that, they decided to live within their budget. That is done in most of the other Conservative Government provinces, they would close some beds, and they are looking at the admitting policy. - (Interjection) - I can only see straight ahead. The admitting policies will be looked at.

MADAM SPEAKER: Order please, order please.

MR. J. McCRAE: Perhaps the Minister will be quiet while I ask my question.

Why is it that the Brandon General Hospital deficit can't be tolerated by this Minister, but deficits, losses and foolish spending everywhere else, under the jurisdiction of this government, can be tolerated?

MADAM SPEAKER: That question seeks an opinion. Would you like to rephrase the question?

The Honourable Member for Brandon West.

MR. J. McCRAE: Well, I don't think my question seeks an opinion, Madam Speaker, so I'll sit down.

Bill 4

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker. My question is to the Minister of Agriculture.

Yesterday the Minister introduced a number of motions that would amend Bill No. 4, and one of those motions was to Section 9(8)(c), which stated, ". . . to grant such other procedural relief as the judge considers appropriate."

In conversations with a number of lawyers this morning, Madam Speaker, they can't tell me what the judge could do. Could the Minister please tell me what it is the judge could do?

MADAM SPEAKER: The question is out of order. Does the honourable member want to rephrase her question?

MRS. S. CARSTAIRS: Madam Speaker, it is out of order to ask a Minister what a section of a bill means?

MADAM SPEAKER: It is anticipating a matter that is scheduled for further debate in the House.

The Honourable Member for River Heights.

Legislative Building - heating of

MRS. S. CARSTAIRS: Thank you, Madam Speaker. Could I ask a question, please, to the Minister of Government Services?

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker.

As we are coming to the end of one Session, could I ask the Minister of Government Services if it would be possible, in the intersession period, to see if this building could be provided with more adequate heat?

MADAM SPEAKER: The Honourable Minister of Government Services.

HON. J. PLOHMAN: Madam Speaker, I don't think we have a consensus yet as to whether it has been too hot in here or too cold, but generally the Member for River Heights should I think expect, as I do, that it will heat up a little bit later on this evening in this House.

Madam Speaker, this is something of course that's been a longstanding problem, because the heat has to come from the Power House across Broadway and it takes quite a while. I usually get a lot of requests to turn the heat up. It usually takes a couple of days for that and then they want it turned down, and by the time I get that turned down, well then somebody else wants it turned up, so . . .

MRS. S. CARSTAIRS: Madam Speaker, a supplementary question to the same Minister. While he is in fact, in his Ministry, reviewing the building's requirements, could he please also ensure that next Session we don't have the presence of owls and seals in the Chamber?

MADAM SPEAKER: That question is frivolous. The Honourable Member for St. Norbert.

Child Protection Centre - proposal re

MR. G. MERCIER: Thank you, Madam Speaker. I have a question for the Minister of Community Services.

MADAM SPEAKER: Would honourable members please come to order?

The Honourable Member for St. Norbert.

MR. G. MERCIER: Madam Speaker, I have a question for the Minister of Community Services.

During consideration of her Estimates, I raised the matter of the Child Protection Centre applying to the Federal Government to establish a national centre for child abuse and neglect in the City of Winnipeg, and provided her with some information on that request. At that time she did not indicate whether or not she would support that application.

In view of the fact that she's now had sufficient time, I believe, over the past few months to review that material, could she indicate whether she would support the proposal to establish a national centre for child abuse and neglect in the City of Winnipeg?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, I did have an opportunity to review the proposal and noted that there had been no request for our input or our support. We were just copied with the basic information.

We would like to see such a centre, but the form it would take and the basic mandate, I think we had some suggestions for some modification of the plan, but we would certainly welcome a consultative process whereby we could contribute from the experience we've had in the field to any deliberations that are being made about such a centre.

Land Titles Offices - rural areas

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Madam Speaker, another question to the Attorney-General.

Appreciating that staff from rural Land Titles offices are being used in the Winnipeg Land Titles Office to attempt to reduce the backlog there, could he assure rural users of rural Land Titles offices that the same type of backlog that was allowed to develop in the Winnipeg Land Titles Office will not occur in rural Land Titles offices?

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: I thank the Member for St. Norbert for his question and I certainly share his concern. I have been assured by the Registrar General and other officials of the Land Titles Office that while obviously the movement of some staff from rural Manitoba into Winnipeg on a two-week rota basis has increased the backlog to some extent in some of the rural Land Titles offices, it has not done so to the same extent. I'm also assured that the steps which have now been taken to improve the service in the Winnipeg Land Titles Office, and are now underway, will result in our ability to have that use of rural staff terminated in the very near future.

Natural Resources - internal audit

MADAM SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Thank you, Madam Speaker. My question is to the Minister of Finance.

Approximately a year ago, problems in the Department of Natural Resources were brought to the attention of the Minister of Natural Resources and also alleged expense irregularities in the department were brought to this House. The Minister on July 10 ordered an internal audit through the Provincial Auditor in the Department of Natural Resources. Can the Minister indicate whether that audit has been completed?

MR. CHAIRMAN: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker. As far as I know, it hasn't been completed. There have been no reports submitted to me as of yet by the Provincial Auditor, nor is there any indication from him when he will expect to have his report completed and submitted to me.

MR. A. DRIEDGER: To the same Minister. Can the Minister indicate - it's been a month now - what the problem is in terms of getting that audit done?

HON. E. KOSTYRA: I'll have to ask the Auditor. He has not provided any indication to me as to why it has taken this length of time.

Deficit forecast

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Thank you, Madam Speaker. I direct a question to the Minister of Finance.

Madam Speaker, the Budget that was given to us by the Minister of Finance indicated that there would be a deficit forecast at \$489 million for this fiscal year. Given that the first quarter report reported a \$27 million increase in the first quarter alone, and given the fact that we're almost one-half of the way through this fiscal year, can the Minister of Finance tell us whether the \$489 million forecasted deficit still holds at this present time?

MR. CHAIRMAN: The Honourable Minister of Finance.

HON. E. KOSTYRA: Yes, as was pointed out at the time of the tabling of the first quarter report, and as has been the practice with respect to every first quarter report since they have been put in place some six, seven, eight years ago, there is no projection with respect to what the deficit may be at the end of this year. At the present time, there is no change in that projection.

I would also point out to the member, where this first quarter report this year indicated that there was a balance difference in excess of some \$25 million, the only other time that occurred, in terms of the first quarter report, was a report filed by the late Mr. Craik when he was Finance Minister. There was at that time even a higher overage projected in the first quarter, but at the end of the year that had changed considerably.

The point of the matter is that at this stage in the year, it is impossible, as has been the case every year, to make those kind of projections at this point. They

usually appear when at least the second quarter report is concluded.

MR. C. MANNES: Madam Speaker, given that the government needs to borrow this year \$1.4 billion in support of its expenditures generally and Crown corporation spending, and given that roughly half that amount of money has been borrowed to date, can the Minister of Finance indicate when and where the additional \$600 million to \$700 million will be borrowed?

HON. E. KOSTYRA: Just a correction in terms of the preamble to the question. It's not \$1.4 million; it's \$1.4 billion that the government will be borrowing. The decision on where the other money will be borrowed from is taken at the time, as we look at the various markets. Again, the strategy is to look first at the Canadian market, followed by the U.S. market, and then other markets, where the price and the projections with respect to currency fluctuations are such that it would be prudent to borrow in those particular markets.

Rural Transition Program

MADAM SPEAKER: The Honourable Member for Lac du Bonnet.

MR. C. BAKER: Thank you, Madam Speaker. My question is to the Minister of Agriculture. In view of the fact that the Federal Minister of Agriculture announced some details of the Rural Transition Program, could he inform us how many farmers are expected to use that program in Manitoba?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, we did, just about an hour or so ago, receive the details to the Transition Program that were announced by the Minister of Agriculture and we're analysing those details. We as yet do not know how many producers will require it, but by the statistics that I quoted earlier with the numbers of farmers in great difficulty, there may be quite a large number of farmers requiring the program because of the process that is being put into place.

MR. C. BAKER: A supplementary, Madam Speaker. Was there any prior consultation with farm groups in Manitoba as to was that the kind of program they wanted?

MADAM SPEAKER: Order please. That question is not within the Minister's jurisdiction.

Lake of the Prairies access road

MADAM SPEAKER: The Honourable Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Madam Speaker. My question is to the Minister of Natural Resources. Early on in this session, I posed some questions with regard to the condition of access roads to Lake of the Prairies

and the fact that there was lack of maintenance on those roads. To date, nothing has been done on these roads. In view of the fact that there has been a considerable amount of traffic on those roads, I'm wondering whether the Minister of Natural Resources has undertaken or is going to undertake to make sure that there is some maintenance on these roads in the near future.

MADAM SPEAKER: The Honourable Minister of Natural Resources.

HON. L. HARAPIAK: That question, I'm aware, was raised earlier and I'm awaiting information from the Minister of Highways. I am aware that there are arrangements made with Highways on a contract basis to maintain some of the roads. In addition, some of the roads are maintained by arrangements with the municipality but, in addition, it should be pointed out that some of the access roads that the Member for Roblin-Russell is referring to are not in fact Parks roads, but are in fact municipal roads.

MADAM SPEAKER: The time for Oral Questions has expired.

The Honourable Opposition House Leader.

MR. G. MERCIER: Just a question to the Government House Leader on government business. In the event that the Session concludes its business sometime today or tomorrow, could the Government House Leader confirm that the next session of the Legislature will be called on or before February 26th of next year?

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Yes, all of us, having had the joy of sitting through a summer session, I believe, would want to avoid that if possible in the future. A start in February does allow us, I think, the best opportunity of avoiding a prolonged sitting during the summer, all other things being equal. So there is an agreement and a commitment on the part of the government that we will be resuming the Legislature on or before February 26 of next year.

MR. G. MERCIER: Perhaps, Madam Speaker, just one more item. I would indicate to the Government House Leader and perhaps more importantly, to the news media that we on this side are prepared to grant leave to sit through the dinner hour until perhaps, hopefully, the business of the Legislature will be concluded later today.

ORDERS OF THE DAY

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, I thank the Opposition House Leader and we've also had some discussions with the Member for River Heights concerning the granting of necessary leave to hopefully complete as much of the business as we can and all

of it, if possible, by sitting through the supper hour; and also we will need leave to do some other things which will be required in order to complete the Session today. I think if we're able to follow the plan as has been suggested, we should be able to do that.

In the first instance, Madam Speaker, I would move that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty, seconded by the Minister of Agriculture.

The First Estimates before the House will be the Interest Rate Relief and then following with the Emergency Flood.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Burrows in the Chair.

SUPPLY - EMERGENCY INTEREST RATE RELIEF

MR. CHAIRMAN, C. Santos: The Committee of Supply will please come to order. We are going to consider Emergency Interest Relief.

The Honourable Minister of Finance.

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

This item relates to a program that was put in place a number of years ago to provide interest rate relief during the most severe period of high interest rates. It was a program to provide interest rate relief to homeowners, farmers and small business.

This program has not been operable in terms of any new intake for a number of years. So this item mainly appears as the ongoing, outstanding interest commitments on the three components of the program, that being the residential homeowner portion, the farm portion and the small business. Each year this will decrease in total costs. As you'll note, there is a decrease in costs of some close to just under \$800,000.00.

If there are any detailed questions that members have with respect to any of the components, the Minister of Agriculture will be able to answer them with respect to the agricultural component and the Minister of Business Development and Tourism and the Minister responsible for Housing can answer them with respect to the small business portion and the housing portion.

MR. CHAIRMAN: The Member for Morris.

MR. C. MANNES: Mr. Chairman, I would ask the Minister in charge of Small Business and Housing what the components are with respect to the amounts payable and due under whatever the length of the program was - the loan portion of the program was - how much is outstanding within two of those classifications, namely the residential area and the small business?

MR. CHAIRMAN: The Honourable Minister of Tourism.

HON. M. HEMPHILL: Mr. Chairman, the Manitoba Interest Rate Relief Program for small business gave

out 601 applications, were supported by the program. The approvals and the areas of businesses approving or receiving the awards were in four or five areas.

Manufacturing received 21 percent, 127 businesses; wholesalers 8, which is 1 percent; retailers were 198 for 33 percent; the service industry were 254 for 43 percent; tourism was 14 at 2 percent and the difference between the rural and northern in Manitoba received 63 percent of the applications, and Winnipeg received 37 percent.

In Year One, the assistance given was \$2,975,777; in Year Two, the assistance was \$1,478,468, for a total of \$4,454,245.00.

The number of jobs involved was 2,049 and the program has been completed. The Manitoba Development Corporation is handling the loan repayment.

The Manitoba Interest Rate Relief Program, the homeowner component - we began paying benefits on a monthly basis in February 1982. It was introduced in 1982 as an emergency measure to provide resident homeowners facing serious hardships because of high interest rates with one-time financial assistance.

Homeowners renewing mortgages between July 1, 1981 and December 31, 1983 were eligible to receive up to 24 months of assistance retroactive to January 1, 1982. The assistance was in the form of a direct grant. Subsidies to a maximum of \$275 per month were provided on mortgage values of up to the first \$40,000 if the PIT exceeded 30 percent of household income.

During the program's duration, a total of 1,434 homeowners benefitted under the program; total expenditure was \$2,519,159.00.

MR. C. MANNES: Madam Speaker, I thank the Minister for that well expanded answer to the question. So she gave me the full load. But she gave me so much of a load that she never gave me the answer to the question.

The question was: I want to know how much of the \$2.5 million was in the residential side and the 4.45 million was in the small business section that were loaned out, how much of it is yet to come back, that portion of the loan aspect?

HON. M. HEMPHILL: In the Interest Rate Relief Program for the Housing Program, there are approximately 39 overpayments for a total of \$21,750.97 in benefits not recovered to date; and we're continuing to try and collect on these accounts.

The benefits, I remind you, under the homeowner component were in the form of a direct grant and no repayment was required. The \$21,000 that I'm talking about is where the homeowner didn't comply with the program regulations in the information that was given in the application or it was erroneous and perhaps their financial situation wasn't fully reported. We required the recipients in those cases to repay any non-entitlement which was repaid under the program and what's outstanding in that area is the \$21,000 that we have yet to collect.

In the Manitoba Interest Rate Relief Program for Small Business, the program is completed. We're handling the loan repayment. The department has prepared a write-off of \$280,000 in existing loans.

MR. C. MANNES: Mr. Chairman, I confess, my memory ability in this area is somewhat non-existent and I can't remember within the Small Business portion, of the 4.45 million that was loaned out, what portion of it was expected to come in and over what period of time. The Minister tells me there is 280,000 that's outstanding. I assume that has not been paid on time. But out of the 4.45 million, how much of it is going to be repaid in time, or indeed was that all forgivable also?

HON. M. HEMPHILL: Mr. Chairman, I believe that we received the money back except for the 280,000, but I'm going to have to confirm that. Give me a moment to check on that. Maybe you can go on to another area.

MR. C. MANNES: Mr. Chairman, I find this a little bit strange. This was a major policy statement of this government. As a matter of fact, it's been brought forward now, sold as a major policy thrust, and even used in the last election, all the things that they had done in support of small business and those farmers who were having difficulty, experiencing that difficulty directly or indirectly as a result of high interest rates.

I find it strange that the Ministers, who were full-time members of the Cabinet while that policy was brought into place and now who are Ministers responsible, really don't understand where that program is at this present time.

I'll ask the Minister of Agriculture: how much money was lent out under the farm side of the policy and, again, how much of it is expected in due course; and when I say due course, over what time frame has it been amortized and how much of that is outstanding at this point in time.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Chairman, in the program, the amount of applications was 1,254 over the two years for a total disbursement of \$12,367,219.00. Of that amount, in terms of payments as of the latest figures that we have of April of 1986, there were arrears of \$779,000.00, payments received at that time were \$282,000, for an arrears of \$496,000 at that point in time.

Through MACC, there have been options in terms of spreading the loan repayments out over a five-year period and, in fact, if other financing arrangements like our comprehensive refinancing program or others may come into play, they may be in fact put into a refinancing package and they're really treated as any other loan with the corporation, but at the present time, as of April 25th, those were the arrears on the program.

MR. C. MANNES: Well, using as an example, of the \$12 million that was loaned and I believe, under the program, supposed to be paid back within five years - (Interjection)- that's right. Mr. Chairman, the Minister is correct. Half of that was forgivable grant and the other half was loan.

Let's say of the \$6 million, how much of it has been paid back by these farmers who, obviously, by the policy

qualified for the loan and, secondly, the Minister seems to indicate now other financing arrangements have taken place and therefore it's hard to trace them, but certainly that hasn't happened in all instances.

Maybe he can tell me what portion of the \$6 million that was to be paid back in five years has been paid back to now and what portion of it is callable at the end of five years?

A MEMBER: And what are the arrears?

MR. C. MANNES: The Minister has given me the arrears at this point in time. If he's given me the arrears, obviously, it's being looked at case by case, file by file, so he must be able to tell me what portion of the \$6 million has been paid back now almost four years later.

HON. B. URUSKI: The first interest payment that was due was to be due at April 1, 1985. As of April in 1986, payments that have been received were the 282,000 based on the amortization. That's what has actually been paid back from the loan portion and the arrears of 496,000 as part of the program. What I have given you was the actual amount and the rest is amortized over the five-year period.

MR. C. MANNES: Mr. Chairman, that's an astonishing revelation. What the Minister is saying is that as the schedule of pay-back interest and the portion of loan, the principal portion of the loan has come about to this point in time, two-thirds of that repayment schedule, basically almost two-thirds of it, has not been met by the people that sought and were given relief under the program. Is that correct?

HON. B. URUSKI: Mr. Chairman, the figures that I gave him in terms of what is payable and due is roughly two-to-one of what has been paid. The average arrear per account is about \$860 per account.

MR. C. MANNES: Mr. Chairman, I'm not interested on the average over the accounts. I guess what I want to know is whether two-thirds of the individuals made any payment at all and whether they're still in place farming today. I guess that question is begged after the information given to me by the Minister of Agriculture.

HON. B. URUSKI: Mr. Chairman, there have been a number of bankruptcies, there have been a number of quit claims of people who have not continued to farm and those figures are there. However, in terms of what is due and payable in terms of principal due is \$190,000 as of April is what was due to be paid. That's the outstanding amount on principal.

So, in essence, the member, as he has stated, that two-thirds of the farmers are in financial difficulty and have not made their payments and have been in arrears on their payments insofar as the loan portion of that program, that is correct.

MR. C. MANNES: Mr. Chairman, there's roughly \$6 million of principal outstanding in this program. When is all of it due, by what date, considering all the clients and all the farmers that it's there to help? When is it all due to be paid back? What final date?

HON. B. URUSKI: Mr. Chairman, it would be due and payable by about 1991, all of it.

MR. C. MANNES: Well, could the Minister then help me with some misunderstanding that I may have. I was always under the impression it was a five-year loan. How does it now have a 10-year call period? I thought it was started to be given out in 1982-83, to be repaid back in five years. Maybe the Minister can tell me the . . .

HON. B. URUSKI: Mr. Chairman, there were some applications that were received right at the deadline of the program, which would have been, I think December of 1984 was the deadline of the program. They would have two years from that date before their payments would begin, so that there were applications approved at the deadline period; then when you add an additional five years, you're looking at that seven-year span, and that's why I gave the member the figure of 1991 that I did.

MR. C. MANNES: Mr. Chairman, the Minister has explained that. I ask at this point in time - and he had given me the total number of farmers as an aggregate number that were part of this program: can he tell me today what percent of that number are still actively farming?

HON. B. URUSKI: Mr. Chairman, 75 have ceased operating out of the total of 1,254. Quit claims - 18; farms were sold - 19; and bankruptcy filed - 38.

MR. C. MANNES: Mr. Chairman, I find it somewhat strange that, roughly, out of the 1,254, some 5 percent, maybe a little more, 6 percent, no longer exist and yet there are arrears in two-thirds of these accounts. Approximately 800 of the 1,254 have some type of arrear associated with them or not averaging, Mr. Chairman, as I have done. The Minister is saying that some of the large ones, some of the very large interest rate reduction levels, and I don't know; I think there was a maximum at one time, a \$12,000 maximum, unless there is a higher proportion of the top level loans that have not to this point in time or for some reason have fallen into arrears.

My question to the Minister is: when and what action is the department - and I take it it's MACC who is administering this - what action is it taking to make sure that these loans, in fact, are no longer in the outstanding category and taken out of the presently-in-arrears state and are brought to a present status of falling under the intent of the program?

HON. B. URUSKI: Mr. Chairman, one should recognize that the farmers who we have been dealing with, of course, have been the farmers who were in the most serious financial circumstances during that period of time. Let's take that as the base point, that we have been dealing with farmers under severe stress.

The normal collection policy followed by MACC is that approximately - I will read the policy that is in place. "Approximately one month prior to commencement of interest charges, notification as to the amount required to pay the interest rate loan in

full, interest free, is sent to the client. If the client is unable to pay or does not wish to pay, a five-year amortized note is provided for signature to be returned to the corporation. Approximately one month prior to payment due under the note, a statement is sent to the client. If payment is not received within 30 days of due note, another note is sent." There are three or four notes sent.

"If payment or satisfactory arrangements to pay is not received within 150 days, we further contact the client. If payment is not received or arrangements made within 200 days of due account, the account is referred to the Board of Directors with the recommendation that legal action be initiated to obtain payment." That is the normal procedure.

Now, there will be accounts in which interest rate relief and other accounts, if there is a refinancing package, that might be in fact handled by it, but those are the normal collection procedures.

In the event, as I've indicated, in terms of the farmers no longer farming, the farmers who I've indicated - the 75 under the bankruptcy, quit claims and sales - those loans, of course, have been written off by the Board of Directors.

I'm mistaken in what I've advised the honourable member. Even those files that are still outstanding in terms of bankruptcies and the like, we still try and collect to see whether there are any proceedings that might be collectible in terms of those assets that might be outstanding. If they are uncollectible, then the staff will, of course, take them to the Board of Directors to see whether they will be in fact written off.

MR. C. MANNES: On the question of write-offs, Mr. Chairman, is there any portion of those individuals who have not as yet declared bankruptcy; in other words, outside of the 75, is any portion of their loan being written off in any degree or does any farmer under any program of MACC, and particularly under this program, have to declare bankruptcy or cease farming before there's a formal write-off of any portion of the loan?

HON. B. URUSKI: Mr. Chairman, the normal procedures of the corporation in terms of either a bankruptcy or a quit claim would be that once all the procedures are completed under those areas, they would be submitted to the Board of Directors for write-off.

MR. C. MANNES: Mr. Chairman, the Minister seems to say that whatever procedure is in effect with respect to all MACC loans will be in place for the consideration of any write-offs within this loan area. I take it then that these loans, if they're written off, won't be treated any differently than any other loans or any other portfolios that MACC has.

HON. B. URUSKI: That's correct.

MR. C. MANNES: I then ask the Minister of Housing, Mr. Chairman, or I should say the Minister in charge of Small Business, what portion, again the same question I asked previously, what portion of the loans that were offered to small businesses in the province are in arrears. I know she's given me the broad numbers, but can she give me rough percentages?

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Secondly, can she tell me what year all the loans will be due and payable? The Minister of Agriculture said by 1991 all the loans under this program will be completed one way or another. Can the Minister of Small Business give me that same answer?

MR. CHAIRMAN: The Honourable Minister of Tourism and Business Development.

HON. M. HEMPHILL: Thank you, Mr. Chairman.

Ours were four-year loans and they will all be repaid by 1988. They had two years that were interest free and two years where they were doing the repayment. We have 87 companies that have closed or failed out of the 601 companies that - (Interjection) - 87, which is 15 percent.

I remind the members, the same as my colleague in Agriculture did, that all of the businesses that received this grant had to be in serious financial distress in order to receive it.

One of the benefits of the program is that apart from giving the loan, they were also given both financial and management counselling, and 280 firms received counselling. I think there was a feeling that with the combination of the loans and the financial and management counselling, that probably helped a lot of those businesses from going under and maybe would have given us a much larger component of those that went bankrupt than we had.

We had a criteria in terms of determining those loans that would be written off and there has been agreement to write off those loans.

There were five criteria: (1) the business had to have declared bankruptcy and had no funds to pay off unsecured creditors and in that case we filed a claim with the receiver or the trustee; (2) the business discontinued operations and owners have left the country and cannot be located; (3) was the business discontinued operations and there was a failure to collect the loan through normal channels including suing by the Attorney-General's Office; (4) was the business sold and there was a failure to collect the loan through normal channels including suing by the Attorney-General's Office; and (5) the business sold and failure to locate the previous owners.

So that each of the loans that were written off would have fallen into one or the other of those categories. In many cases, it would have been written off only after a fairly serious effort to be able to collect from either the company or the people.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, thank you. A question which will apply to both Ministers, but first of all to the Minister of Small Business.

In terms of the loans to businessmen, on the \$6,000 loan portion that is currently outstanding on presumably over 500 loans, or at least may well be up to 500 loans, what is the interest rate being charged on those loans?

HON. M. HEMPHILL: Mr. Chairman, I had asked for that information and have not received it yet. It's on its way in. I'll give it to the member opposite as soon as it arrives.

MR. D. ORCHARD: Can the Minister of Agriculture indicate the interest rate that MACC is charging?

HON. B. URUSKI: Mr. Chairman, it would be the lowest rate applicable at the time, one month prior to the time period that the client has to make the first payment. Am I correct? Because of the time frame, it may vary for various kinds, but whatever it is the cost of borrowing of the money to the government one month prior to the payments being payable interest free.

MR. D. ORCHARD: Mr. Chairman, to the Minister of Agriculture. I've got a couple of areas that I think are troublesome.

First of all, I don't know whether he answered the question: how many write-offs? Of the 75 that are uncollectible, are those all written off - (Interjection) - none officially yet.

Well, you know, I guess maybe I find that the somewhat distressing part of the Minister of Agriculture's handling and department handling of this Interest Rate Relief Program. I do believe we've got a series of write-offs in the small business loans, because we've seen an Order-in-Council pass through and yet the programs started at the same time, the same time frame should apply.

I've got constituents who took advantage of the Interest Rate Relief Program, that wasn't sufficient, one individual. I talked to MACC this morning about it. One individual is having an extreme amount of difficulty making ends meet - he's no longer in farming - and he is being chased by MACC for the \$6,000.00. And what's interesting is that I believe his interest rate is in excess of 13 percent.

I have another individual at home whose interest rate is 14.25 percent. The second individual whose interest rate is 14.25 percent on the \$6,000 loan portion, he's still actively farming. But yet the Minister's Interest Write-down Program, where he put all MACC loans down to 8 percent, these loans did not qualify for that. So the anomaly in the program is, that you've got farmers in the loan portfolio of MACC who are benefiting from an 8 percent interest rate who never qualified, never applied for the Interest Rate Relief because they weren't in sufficient financial difficulty to qualify and hence would not have qualified for it.

They're getting their mortgage interest rates written down to 8 percent, but yet people who have been in demonstrated financial distress, as both Ministers have said, and are still farming, are being charged back the \$6,000 loan portion at up to 14.25 percent interest rate.

Surely, if the Minister was interested in keeping these people on the farm, he would make the loan portion for the active farmer still there, trying and struggling to repay, he would surely write the interest rate down to 8 percent on it because after all, it was an Interest Rate Relief Program whereby the \$6,000 was provided for a two-year period interest free.

Now, after the Interest Rate Relief Program is over, those same farmers who are still in financial difficulty, many of them because they haven't farmed their way out of it with prices etc., in the last couple of years, are being quite frankly gouged at 13 and 14.25 percent interest rates, whereas farmers who didn't qualify - and this is the point I make with the Minister - farmers who

were unable because of financial distress to qualify for Interest Rate Relief Program have had their interest rates written down to 8 percent.

I think the Minister should reconsider his program and write down these loans, these \$6,000 loans down to 8 percent as well and give those farmers who are still in financial distress, who qualified for the Interest Rate Relief Program and write the interest rate down to at least 8 percent.

HON. B. URUSKI: Mr. Chairman, I am pleased that the member opposite, who a number of months ago said he didn't need the interest rate write-down and didn't want it, I would have hoped that he would not have had . . .

MR. D. ORCHARD: When did I say that? Get serious.

HON. B. URUSKI: Pardon me.

MR. CHAIRMAN: Order please.

HON. B. URUSKI: Mr. Chairman, the honourable member likes to throw barbs whenever he wants to, but he doesn't like to receive them. I can't help that.

MR. D. ORCHARD: I also tell you the truth when I'm speaking. You just didn't tell the truth, Billie, right there. That's your problem.

MR. CHAIRMAN: Order please.

HON. B. URUSKI: Mr. Chairman, I appreciate the suggestion of my honourable friend.

The program that was announced did provide \$6,000 as a grant and did provide \$6,000 totally interest free for two years. The rate that was to be paid was to be paid at the prevailing rate at the time. There were a number of loans handled under MACC of a short-term duration that were not eligible for the write-down. The Interest Rate Relief Program was one of them. That wasn't the only program in which farmers did not receive the full benefit of the 8 percent write-down.

The member indicates that we should consider that. I thank him for his suggestion. We will be reviewing our entire loan portfolio this fall to see what kind of other financial instruments we may need to put into place to assist the farm community and that certainly will be consideration that we will look at.

MR. D. ORCHARD: Mr. Chairman, I full well realize that there are a lot of short-term loans for machinery, cattle, buildings that weren't written down to 8 percent. But the point I make is that these people were supposedly people in financial distress to be helped by the Interest Rate Relief Program. I just find it to be quite a difficult thing to answer, how farmers who didn't qualify for the Interest Rate Relief Program got their mortgages written down to 8 percent for two running years now, but yet they weren't in any financial distress because they didn't qualify for the Interest Rate Relief Program; but every farmer who held a mortgage got his interest rate written down to 8 percent.

Then these farmers who qualified for interest rate relief, when they have their loan portion become due

and payable with interest chargeable, they're charged at the full rate.

I think it is just a very logical extension of interest rate relief to have those loans, those up to \$6,000 loans, because not every one of the them are at the maximum, qualify at the written-down interest rate that the Minister has given to farmers who didn't even qualify for the Interest Rate Relief Program, just makes sense.

HON. B. URUSKI: Mr. Chairman, just one point. It should be known to my honourable friend, I think he does, that there will be a number, I don't know what the percentage of farmers who do have regular loans and are also in financial difficulty, who would have received the benefit of the write-down and would have received benefit under the Interest Rate Relief Program, but his point is well taken.

MR. CHAIRMAN: Resolution No. 142: Resolved that there be granted to Her Majesty a sum not exceeding \$1,184,000 for Emergency Interest Rate Relief, for the fiscal year ending the 31st day of March, 1987—pass.

SUPPLY - FLOOD CONTROL AND EMERGENCY EXPENDITURES

MR. CHAIRMAN, C. Santos: The Committee of Supply will now consider the item on Flood Control and Emergency Expenditures.

The Member for Ste. Rose.

MR. G. CUMMINGS: Mr. Chairman, under Flood Control and Emergency Expenditures, I wonder if the Minister would first of all explain the formula that is being used or that is in place with the Federal Government for the event that the expenditures should exceed \$1 million?

MR. CHAIRMAN: The Honourable Minister of Highways.

HON. J. PLOHMAN: Mr. Chairman, as I've indicated on previous occasions and in discussions with the Member for Ste. Rose, there is a formula that has been in place for a number of years, I think since 1970, whereby the Federal Government will contribute to disasters once an agreement has been reached. They would contribute to any costs that are incurred by the province for disasters over \$1 per capita, so that it's approximately \$1 million.

Anything above that would be shared and the next dollars, second and third dollars per capita above the million - in other words, \$2 million to \$3 million in this case because Manitoba has about one million people - would be shared on a 50-50 basis with the Federal Government. The fourth and fifth dollars would be shared on a 75-25 basis, with the Federal Government paying 75 percent; and then over that, the Federal Government would pay 90 percent, with the cost to the province of 10 percent.

MR. G. CUMMINGS: In that agreement, then, I presume once the province has assessed the damages and knows what the total is, that communication goes forward to the Federal Government to apply for that

funding. Now if the funding is to be provided via the agreement which the Minister just clarified - a statement was made not too long ago regarding the flood damages in this province. They were now waiting for funds to flow from the Federal Government in order to achieve payout. Now the Minister is shaking his head in the negative, that we're not waiting for the funds to flow.

My concern is, as I have privately indicated to the Minister, that we have a natural tendency for delay and a backlog, and for people who have applied for flood damage assistance, to first of all know whether or not they're eligible. In fact, four and five months have passed since the damages that were incurred this spring and people, technically speaking - we can talk about the comments that have been made in this House and the comments that were made to the media - but no one yet has stated unequivocally that the people who applied for damage in specific areas will in fact receive assistance or some compensation towards relieving them of those damages.

Now we have reached the time frame whereby by the end of August, I understand, the government had tabulated and corroborated the applications that came in, and by that time knew what the total was. My concern is once that has been done and, in effect, the applications that were made must now be considered approved vis-a-vis the jurisdiction of the province and the Manitoba Disaster Assistance Board, why can we not now - although we may not be prepared to mail out the cheques - why can we not now indicate to these people how much they may be able to expect in assistance?

There are a great many individuals out there who are not proceeding with repairs, repairs that need to be done before we get much further into the fall and winter season, who are waiting for some reassurance, some definite act on behalf of the Government of the Day. I'm not trying to talk in a political sense; I'm trying to talk on behalf of the people who have applications in out there, and whether their applications came to this government or a future government of ours, I would be concerned that they have to know as quickly as possible when and how much they will receive, first of all, the priority being if they will receive anything.

I would like the Minister to explain why this seems to be not a possibility at this time.

HON. J. PLOHMAN: The member raises a good point and I think it is something that perhaps we have to clarify and streamline a bit. I should just correct the record, that we are not waiting for money to flow from the Federal Government, for the Member for Ste. Rose's information. What we are asking them for is simply approval, in principle, that this particular disaster would qualify, in their opinion, under the guidelines that we have and agreement we have in place. That's all we're asking for. We could not make that request until we had quantified the damages, so that we knew they were indeed over \$1 million and that the Federal Government would be involved and how much more in general terms.

I had conveyed to the House previously that we estimated the damages for that flood in the neighbourhood of \$3.9 million, so we had those figures and that's when I sent the request to the Federal Government for approval in principle. My officials assure

me that they don't feel there will be any difficulty with it, so it's next to being a positive assurance to the individuals involved that they will be getting some assistance. But until I receive that approval in principle from the Federal Government, I do not feel that I should be sending out letters to the individuals saying they definitely will be getting assistance.

I don't see there's any doubt at all that they will be, but I would not want to notify them and be presumptuous on the federal action in this regard. What I will attempt to do, though, in this regard - and this doesn't happen every year - the member may be aware that the last time the Federal Government was involved in this kind of a thing, I believe was for a mosquito spraying program and again we had to seek approval for their support for that particular situation because it wasn't clear-cut. They agreed to pay a share, according to the formula, so that was about 1983, I believe, the last time. It doesn't happen every year.

I want to clarify, though, with my officials and, through them, with the federal officials, whether indeed the arrangements as they are now written, would be clear enough that we could make the kind of assumption that once we have assessed the damages and they are more than \$1 million, or \$1 per capita, that indeed we could send out information to individuals saying, yes, you will qualify. But I don't want to do that until we find that out.

I expect that Perrin Beatty will be replying very soon on this matter because his officials have indicated to him - they have indicated to us, my officials have - that their officials, the federal officials are communicating with their Minister that it is important to get a very quick decision on this and that it does meet the guidelines. So all we need is that letter and I don't think it will take very long; I'm hopeful it won't. Once we have that, we'll certainly be sending out all of those letters and information to the municipalities, to individuals, indicating to them that they will qualify.

MR. G. CUMMINGS: I think that the Minister has now definitely put on the record a concern that I've been expressing and a concern that I have received from a great many of the people who suffered damages this spring.

One further question that I would like to have the Minister give me a comment on, and that is the private damages in the flood plain outside of the Village of Ste. Rose, and I know there are others in the province, but that particular one is the one that I'm concerned about, the procedure that he is putting in place to assess whether or not these individual farm sites will be eligible for any kind of assistance for future flood protection, i.e., rain dikes or raising or moving.

HON. J. PLOHMAN: The Member for Ste. Rose has brought this to my attention, as well as the individuals involved have written to me and have asked for some consideration of either a diking program or a moving and raising program.

This kind of action, I believe, has only taken place in the Red River Valley as a result of flooding that occurred in 1979 and previous, for both individual farmyards, as well as for towns and villages along the way. It has not taken place in other areas, although I

believe Ste. Rose will now be getting a dike, as far as the town is concerned. But for individuals, that is something that would have to be assessed on the basis of the cost benefit of doing that.

In other words, if the province is paying out more money over a period of years for disaster assistance than it would cost to correct the situation in the first instance, then it would make more sense to put in place the dikes or assist in the moving and raising. We are going to have the Disaster Board, and I've asked them already to look at the situation, to review it with the individuals to assess the kinds of costs that have been involved there in the last few years. I take the point made by the member to me privately that one should not look at the history away back in years as to flooding, that the patterns have changed in recent times because of agricultural practices and clearing and so on, and improved draining, that flooding patterns have changed in recent years and, therefore, if anything, we should be looking at flood projections and recent history only in arriving at a decision.

So that's what they will be looking at and making a recommendation to me on that. I expect they will turn their attention to those kinds of issues as soon as they have completed their work, which is rather massive, on the flooding program that they're now involved with.

MR. G. CUMMINGS: I have no further questions. I simply want to express the concern of the people who are in the flood plains of the rivers, and not only the Turtle River but other rivers throughout the province where, as the Minister has said, the flood patterns may very well be changing because of the influence of man and the cultural and drainage practices that we have put in place. I hope that we will not always be dealing under emergency and disaster assistance with these problems, but that other departments, Natural Resources, particularly, will be addressing some of the problems that are being created out in the country.

MR. CHAIRMAN: Flood Control and Emergency Expenditures - the Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Deputy Speaker. I wonder if the Minister could just indicate once more the way the formula has been at work and the way it will apply to municipalities and private individuals because right now it's outlined - the procedures - because we have federal money, provincial money, I assume some municipal money, and how that will affect municipalities and also how it would affect individuals.

MR. CHAIRMAN: The Minister of Highways.

HON. J. PLOHMAN: Mr. Chairman, I have indicated that on a number of occasions. I would be pleased to go through that again because it is somewhat complicated in that we are involving the private sector as well as the public sector, and there's a different formula for each.

The federal formula I just outlined, I think, clearly enough for the Member for Ste. Rose.

With regard to the provincial versus municipal, we have a similar formula in place for public sector damages and that is, if a municipality suffers damages

that are more than a dollar per capita for that municipality, the funding formula will kick in. The first dollar per capita then will be the responsibility of the municipality. If they have 1,000 people in the municipality, they pay the first \$1,000.00. After that, the second and third dollars are shared 50-50 with the province; and the fourth and fifth dollars are shared 75-25, with the province paying 75; and over the \$5 per capita for that municipality, it is 90 percent by the province and 10 percent by the municipality.

That's on disasters where the Federal Government is not involved. In other words, the total cost of the disaster is under \$1 million. Once we get into the Federal Government being involved, then the formula with the municipality goes by the wayside and we simply assess the municipality 10 percent of the costs and the province pays according to the formula that is developed with the Federal Government.

So that means the municipalities pay less in benefit when the Federal Government is involved. Once the disaster is of a magnitude of more than \$1 million or \$1 per capita for the whole province.

In addition, there's a private sector formula that we have in place which involves grants up to \$30,000, which would be to a maximum of 75 percent of the disaster, of the claim that they have. The maximum grant they can get is \$30,000, with a deductible of \$250.00.

MR. A. DRIEDGER: This is really a question for clarification to the Minister. The Minister indicated that the damage to the province was \$3 million and something and that it qualifies for - we don't have the letter, but it qualifies for the federal program taking place. When that happens, how does this work with the municipalities then? For example, if a municipality has less than, let's say maybe \$10,000 worth of damage, the next one has maybe \$100,000 or something like that, how does that, once you get the letter from the feds that it will participate, how would that protect the municipalities? They just pay 10 percent of the basic damage of the assessment; is that correct?

HON. J. PLOHMAN: That's right.

MR. A. DRIEDGER: Just a further comment, and I think the Member for Ste. Rose alluded to it. I think some of these problems are recurring problems; I'm not saying every year, but you can almost isolate the pockets in a wetter year where these things would develop. I'd just encourage the Minister, together with the Minister of Natural Resources, to maybe have a look, because some of these corrective measures can certainly be taken in many cases in terms of drainages. The project that we have in the southeast area, that could certainly be alleviated, the flooding problems for these municipalities.

It seems that we are doing less and less of this kind of work over the period of years. This year again, and I've said it many times already, a cutback of substantial dollars in the Department of Natural Resources, in Water Resources, in projects of that nature. We seem to be drifting away from the major projects, the dams and dikes and steps of that nature where lots of money was spent at one time and have been quite good measures, but we seem to be getting away from that.

There's still a lot of this work that should be done, in spite of the fact that maybe it's a matter of changing the funding priorities of the government.

Certainly, with all due sympathy to the Minister, this Department and the Department of Natural Resources are the ones that have had the dickens knocked out of them for a few years now and . . . Am I doing that, Mr. Chairman? It probably was me. I was speaking the truth.

I just wanted to raise that with the Minister, that I hope - there are major capital programs that have to be undertaken in his department that would solve many of these problems and the same thing with the Department of Natural Resources. If those things could be looked at in a more serious way than they have in the last two years, I think that would probably add to the thing.

MR. CHAIRMAN: The Minister of Highways.

HON. J. PLOHMAN: Mr. Chairman, I think certainly it is coming to light more since we have a formula now that is put in place for the whole province, the municipalities. We will be able to look at the history of the floods and damages that occur over successive years. That will help us determine from a cost-benefit point of view the priorities for some of these preventative measures that should be taken. But in many cases, of course, they cannot be justified simply on a cost-benefit in terms of the amount of money that's paid out in damages. Of course, when you consider productivity, lost productivity in that as well, then it enables us to prioritize those major works that will indeed pay for themselves.

MR. CHAIRMAN: The Member for Morris.

MR. C. MANNES: Thank you, Mr. Chairman. I'd like to ask the Minister in charge of this department what the status is of the flooding and the claims that arose pursuant to, in the area south of Portage.

As the Minister knows, this area has experienced severe localized flooding this spring, 1986, and I know there are many constituents of mine who have filed claims through the proper procedure. As a matter of fact, Mr. Chairman, I had one phone me just last week, trying to determine whether or not there was any result of his efforts in preparing a claim and furthermore what the timing might be. He is to the point where he has no funds left and he has some major repairs to do to his house that were related to the flood - I'm thinking of basically a furnace - and he's becoming a little bit desperate in his own way.

So it's on his behalf and the behalf of many constituents in that area who experienced great difficulty, particularly in feeding cattle through that three or four week siege when the water would not allow transportation, I would ask the Minister the status of that particular case south of Portage, known as the Gainsborough or Overhill area.

HON. J. PLOHMAN: Mr. Chairman, I don't have details of individual claims that have been made; that is with the Disaster Assistance Board. I don't exactly know what they're asking for and how much precisely each

individual, nor do I have information at this time as to the amount that is being requested by individuals in each municipality. But I do have the total number of claims in each municipality. One of the largest areas of claim is precisely in the area that the member talks about. I believe that would all be in the R.M. of Portage la Prairie.

Out of 392 private claims that have been submitted, not all processed obviously and no payments made as yet, but of the claims that have been made, 73 are from the R.M. of Portage la Prairie and, for example, 99 from the Village of Ste. Rose, which were the two largest, worst hit areas.

The others are quite a bit smaller in terms of numbers, varying from one to 25. The R.M. of Ste. Rose has 25; the R.M. of Ochre River, 21. Then it goes right through to the 34 individual municipalities that had private claims included in them. As well, of course, the public sector of the municipalities themselves had damages and have made claims under this program. But that's as close as I can come. There was severe flooding, as the member has indicated. There are 73 people, according to my information, who are waiting for information or have been processed and waiting to have money paid back to them.

MR. C. MANNES: Mr. Chairman, the Minister has given me basically the information I want. At least, as he indicates, it's part of the \$3.9 million global figure under this appropriation.

I suppose I want to further ask him whether or not, when the Minister says he wants to make sure that the criteria in place that causes the Federal Government to kick in their portion after the \$1 million threshold level, whether indeed each one of these localized flooding areas has to meet the criteria or whether - and therefore the Federal Government, whether it will have the opportunity to apply the criteria that they have in place against each one of these localized areas. Or is the Minister telling me the 3.9 will either be totally accepted or totally rejected? He leads me to believe, by all accounts, that he fully expects it will be accepted.

Nevertheless, I ask him, if it isn't rejected, will it be broken down in parts? Are there stronger arguments for some of the areas that have experienced flooding within the province than others, or indeed are they all in a similar situation?

HON. J. PLOHMAN: Mr. Chairman, they would all be in a similar situation, except for the Reserves, which were treated differently because they are 100 percent paid for by the Federal Government. The point should be made clearly that we have not paid anything to the Reserves up to this point, the individual claimants; however, the Federal Government, through the Department of Indian Affairs, has paid directly to Peguis, for example, money for flood-fighting costs. So they have received money there but none of them have received individual payments to this point. So they are not certainly being given preferential treatment.

Insofar as the remainder, I believe that it will all be taken as a global figure and it will be this particular disaster that will either qualify or not qualify and we believe that it will qualify under the arrangements and the formula that has been in place since 1970 and

particularly—(Interjection)— Pardon me? Particularly since 1983. I think we affirmed this up for the Member for Morris' information.

The Province of Manitoba and the Government of Canada entered into a Memorandum of Understanding. In that memorandum it says that the Federal Government will administer the disaster funding arrangements in accordance with the prescribed sharing formula and eligibility guidelines that have been established. We think that this complies with those eligibility guidelines. We just simply need them to say yes that we agree.

MR. C. MANNES: Well, Mr. Chairman, the Minister may wish to clarify in his next answer, but is he saying that these eligibility guidelines as yet have not been tested, or is this something that will reoccur every year? Indeed, the Minister will come back and say well, we're pretty sure that they will apply under the guidelines, but we never know, this is a different year. Or is this the first time the new guidelines are being, in effect, challenged by some of the specific cases that we have to lay before the Federal Government?

Secondly, I'm glad that the Minister made the clarification with respect to how it was the reserves received funds in support of emergency services provided so quickly, because I can tell him and he's probably heard also from the community that those individuals who have been sitting back and been waiting for their support to come have noticed that indeed particularly the Peguis Indian Reserve received some type of support very quickly.

The question that's come to me as a representative: well, how could government favour one group in society so quickly compared to others? The Minister has given me the explanation for that and I accept it and it's something that I will pass on to a constituent of mine who finds himself having suffered flood damage, having made a claim, and I think having been visited by a claims officer who has gone through and reviewed the situation case by case and then believes sincerely that they qualify for compensation under this program.

So the Minister may wish to give me a clarification to the first question dealing specifically whether or not this is the first time these guidelines have been challenged or whether this is something any Government of the Day will be faced with on a year-to-year basis, always being in some doubt as to whether or not the criteria may be interpreted a little differently from year to year.

HON. J. PLOHMAN: Well, Mr. Chairman, the guidelines informally have been in place since 1970 and there hasn't been a problem; there's been excellent cooperation. I don't know of any situation, none that have been brought to my attention.

The province has said we believe this qualifies and the Federal Government says, no, we don't agree with you. They may agree or disagree with some portions. I would have to get information on that. My understanding is they have not.

As a matter of fact, even with the mosquito abatement, the spring program of 1983, I believe, there was federal participation after the fact in that situation. So, certainly, they have been tested previously, although

every disaster is a little bit different and therefore the need to actually have their formal agreement, and that is one of the things I indicated to the Member for Ste. Rose, that I wanted to check out and see if there was even further streamlining that could be done that would ensure that they would be invoked automatically as opposed to having to get this approval in principle.

I would want to indicate, in response to the Member for Morris when he said that there have been some individuals who have been sitting back and have seen payments being made at Peguis and they are concerned about that. They are wondering why there is this kind of double set of rules or preferential treatment. The fact is that no individuals - and I pointed this out a moment ago - in the reserves have received any payment up to this time from the Provincial Government to be reimbursed by the Federal Government. As a matter of fact, we're going to send all of those claims to the federal officials to have them verify it before payments are made because they are being paid 100 percent of the costs from the Federal Government and we want to ensure that they agree so for the reserves.

But they have paid money to the band quite separate from this process. They have taken it upon themselves, the Department of Indian Affairs, to pay the band compensation for flood fighting. So, therefore, we want to ensure that they verify these individual claims so there is no duplication that could be construed as a result of the payments that have already been made to the band but not to individuals.

MR. C. MANNES: Mr. Chairman, I ask the Minister about a claim or claims that were made in 1985. Have they all been paid out?

I'm thinking specifically of a claim that was lodged by the R.M. of Grey with respect to flooding in the same area as the R.M. of Portage. The same major heavy rain system that came through and impacted one municipality also impacted the neighbouring municipality to the south. I know that there were significant claims put in by that municipality in 1985 to take account of all the additional costs associated with maintaining grades and roads, and I think there were some other additional costs too.

As of a month-and-a-half ago, when I talked to the secretary of that municipality, I was led to believe that government had not processed those claims. I was further told by the secretary that the comments given him by whoever he was in contact with, led him to believe that unless the Opposition were prepared to give speedy passage to Interim Supply that there would be no payments forthcoming.

As of the middle of August, the municipality of Grey still had not received claims from 1985. They may have today. I don't know.

I would ask the Minister, firstly, what is the holdup, if indeed there still is one; and, secondly, why did it take almost the best part of a year to process that particular claim?

HON. J. PLOHMAN: Mr. Chairman, I had indicated at the time that we approved the inspections of the flooding for this spring, that we were expediting the process. In the past, very often municipalities did not get the information in, sometimes not even in the same

year that the flooding took place and the damages took place and, therefore, there was no decision made on inspections, particularly when they are a more isolated nature of disasters.

Rather than having a blanket approval to go out and do the inspections, what we would do is have the municipality first provide all of the information on the damages and send that in, and then the decision would be made as to whether there should be formal inspections made and then subsequent to that whether payments should be made. So they are still in that older process where inspections were not approved immediately because there was not sufficient information at the time. We hope that will be expedited in the future.

I don't believe that the R.M. of Grey has been paid up to this point, from the information I have, but will be shortly. I've asked the staff at the Disaster Assistance Board about the allegation that staff inspectors or someone was telling the R.M. of Grey or any other officials that the Opposition was holding this thing up, and they have assured that there were no comments to the public to that effect. The only answer that has been given to the public is that funds were not available at that time, and as soon as they were made available, the board would send out the necessary payments.

The fact is that because of the nature of the Sessions here and the Interim Supply arrangements, there wasn't sufficient money to pay out the dollars for that particular disaster nor the others, as a matter of fact, but now that we have the total amount in there, the payments can begin.

MR. C. MANNES: Mr. Chairman, I'm trying to determine what authority will allow these payments to flow. We passed, originally, Interim Supply, which is 1.4 billion. We passed here a week ago the second Interim Supply bill which allowed another 1.2 billion. Now would that in itself not allow funds to flow or do we need to pass this item?

Because it seems to me the Minister in charge, or people in his department, are indicating that funds aren't available, that something is required within this legislation, some granting of authority is required before they can flow, and yet nobody seems to say what specific authorization has to be given.

Maybe the Minister in charge can tell us what needs to be done before those funds can flow legitimately.

HON. J. PLOHMAN: Mr. Chairman, there has been traditionally a nominal sum put into this appropriation in the Estimates of \$1 million. The Interim Supply did not give that full authority, it was somewhat substantially less than that and that amount was spent up to that time, so there were no further dollars in that appropriation. Once the Main Estimates and appropriations have been approved, then, of course, the total million dollars will be available and the money can flow. That's my understanding of how it works.

As well, I have been advised that the payment to the R.M. of Grey was made in the last two weeks.

MR. C. MANNES: Well, Mr. Chairman, that's good news. I am glad that note came down from on high or from wherever and finally that payment has been made.

But I ask the Minister of Finance and, of course, he cannot respond, but I will ask the Minister of Finance: my interpretation, as I read the Interim Supply bill, is that indeed some 25 or 35 or 40 percent is applied to the Main Estimates and that transfers are allowed. It isn't 40 percent against every department; that there are transfers allowed from various departments. So I don't buy the Minister's argument, if my interpretation is correct, quite frankly. I don't buy his argument that indeed the government was held to 40 percent of the \$1 million that is shown in the Main Estimates. Is that interpretation correct?

HON. E. KOSTYRA: Well, there's a couple of points. I mean, first of all, there were two Interim Supply resolutions. The other point is that you are not allowed to transfer between the main appropriations, and this is an item that is only one main appropriation. You can't have those kinds of transfers made. It's not one department where there is flexibility between sub-appropriations. This is one main appropriation. So until the Main Supply motion is passed, only that which is authorized under Interim Supply can be paid out of that, and now with the Main Supply, it will be up to that million dollars, and if there's claims beyond, it would have to be handled subsequently.

MR. C. MANNES: Well, Mr. Chairman, I won't belabour this, but then the Minister is saying that my interpretation was wrong; that, for instance, if we spent 40 percent of the total expenditures or, indeed, if we granted authority under Interim Supply for 40 percent of the total Estimates, that there was no portion that could be moved, let's say, from Health to Education under the 40 percent - in other words, Education couldn't spend 45 and Health 35 - the government leaned on their wisdom that that should be done. I thought it could be.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, just a brief couple of comments because we are dealing with Flood Control and Emergency Expenditures. Flooding in the province is never something that you can predict or budget for.

But I note with a great deal of interest - and I was in Toronto when the appropriate sections were up in the Natural Resources Department funding, and my comments and questions would have been much more probing with the Minister of Natural Resources, but I suppose that will wait till next year - but I note with a great deal of interest, since this Minister is dealing with Emergency Flood Control and Emergency Expenditures, that if we go back to 1980-81, you will find that there were a number of flood protection projects that were on the books. None of them qualified under the program of permanent flood protection which was assisted in funding by the Federal Government because their cost benefit was less than one.

Those projects were at Carman, Gimli and Ste. Rose, are the three I can remember, and I believe that is the order in which the cost benefits were established where Carman had a cost benefit, if my memory serves me correct, of about .7 to 1; Gimli was somewhere around .5; and Ste. Rose, at the time, was around .4 to 1.

Now, Mr. Chairman, we lost the election in 1981 and couldn't proceed with agreements with the Federal Government wherein we were going to strike an agreement with them, and we believe they probably would have gone for it, to enable us to put in those flood protections with community participation. The community participation would represent half of that portion to bring it up to unity in cost benefits.

Mr. Chairman, I noted with a great deal of interest when the former Minister of Finance brought out a "wish list" and in his "wish list" of projects he had Carman diversion on top of the list and then he had Gimli and Ste. Rose somewhere down in the list. I note, however, that both Gimli and Ste. Rose had been approved prior to the election in a rather hasty fashion and Carman has received absolutely nothing.

What I'd like to have the Minister do for me, and I know he will because he is interested in providing full information, but I'd like this Minister to be able to tell me, and if he can't today, to provide me by letter after the Session is over, under what criteria and what was the cost benefit analysis used to determine that provincial dollars, entirely provincial dollars, went in to provide flood protection at Gimli and Ste. Rose and not in Carman.

I ask him that because I wonder, and the citizens of Carman are wondering, if there were two formulas used to determine where flood protection money should go on a provincial basis; in other words, the cost benefit formula for Carman was the same one that had developed a .7 cost benefit, but Ste. Rose and Gimli were analyzed under a different formula, and if a different formula was used they want that formula used in Carman, because if Ste. Rose and Gimli were .5 and .4 and all of a sudden qualified by some reanalysis of the criterion to qualify for 100 percent provincial funding, the citizens of Carman have no doubt in their mind that under this new formula used at Gimli and Ste. Rose that they would qualify and this government would be providing them with flood protection.

I wonder if the Minister might be able to comment.

HON. J. PLOHMAN: This is certainly not under this particular Appropriation 18-C. So I will take this as notice for the Minister of Natural Resources, which is, I think, the appropriate department to deal with that particular request.

MR. CHAIRMAN: Flood Control and Emergency Expenditures—pass.

Resolution No. 143 - Resolved that there be granted to Her Majesty a sum not exceeding \$1,000,000 for Flood Control and Emergency Expenditures for the fiscal year ending the 31st day of March, 1987—pass.
The Honourable Minister of Finance.

HON. E. KOSTYRA: Mr. Chairman, I think there is some agreement that we can deal with the resolution with respect to Capital Supply, Bill No. 50, The Loan Act, 1986, (2), in Committee of Supply.

SUPPLY - CAPITAL SUPPLY

BILL NO. 50 - THE LOAN ACT, 1986, (2)

MR. CHAIRMAN: In the presence of such an agreement, while the members of the House are in

Committee of Supply, the Committee of Supply will now consider the resolution respecting Capital Supply in relation to Bill No. 50, otherwise known as The Loan Act, 1986, (2), which resolution reads as follows:

Capital Supply: Resolved that there be granted to Her Majesty a sum not exceeding \$1,196,600,000 for Capital Supply, Schedule A: Manitoba Jobs Fund \$40,000,000; The Manitoba Agricultural Credit Corporation Farm Start \$5,000,000; The Manitoba Hydro-Electric Board \$6,200,000; The Manitoba Hydro-Electric Board - Limestone \$940,000,000; The Manitoba Housing and Renewal Corporation \$70,800,000; Manfor Ltd. \$13,500,000; Manitoba Hazardous Waste Management Corporation \$2,500,000; Manitoba Properties Inc. \$37,500,000; Communities Economic Development Fund \$1,600,000; Energy Conservation Loan Fund \$50,000,000; Tourism Agreement 1985-90 \$8,000,000; The University of Manitoba \$10,000,000; Venture Manitoba Tours Ltd. \$1,500,000; Small Business Loans Fund \$10,000,000; for a total of \$1,196,600,000 for the fiscal year ending the 31st day of March, 1987—pass.

Committee rise.

Call in the Speaker.

The Committee of Supply has adopted certain resolutions, directs me to report same, and asks leave to sit again.

IN SESSION

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, I move, seconded by the Member for Emerson that the report of the committee be received.

MOTION presented and carried.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Yes, Madam Speaker, would you please call the Report Stage on Bill No. 34 standing in the name of the Attorney-General.

REPORT STAGE

BILL 34 - THE CONSTITUTIONAL QUESTIONS ACT

MADAM SPEAKER: The Report Stage, Bill 34, The Constitutional Questions Act, standing in the name of the Honourable Attorney-General.

Shall the report of the Committee on Bill No. 34 be concurred in?

Agreed? (Agreed) Agreed and so ordered.

The Honourable Government House Leader.

HON. J. COWAN: Yes, Madam Speaker, I move, seconded by the Minister of Labour that Bill No. 34 be amended by adding thereto immediately after subsection 7 (7), in the paragraph thereof, the following subsection:

"Service on the Attorney-General, section 7(8) A notice mentioned in subsection (2) and (3) is sufficiently served on the Attorney-General of Manitoba if it is sent by registered or certified mail to or during office hours, it is left with the Deputy Attorney-General of Manitoba, the Assistant Deputy Attorney-General of Manitoba, Justice Division, or the Director of Constitutional Law, the Department of the Attorney-General."

MOTION presented and carried.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: I move, seconded by the Minister of Health . . . Oh, excuse me, would you please call the Report Stage on Bill No. 53, standing in my name.

MADAM SPEAKER: That was the amendment we agreed to? Did we agree to the bill as amended?

HON. J. COWAN: No, I didn't call the bill.

MADAM SPEAKER: Will the bill as amended by concurred in? Agreed? (Agreed) Agreed and so ordered.

BILL 53 - THE LEGISLATIVE ASSEMBLY ACT

MADAM SPEAKER: Bill No. 53, An Act to amend the Legislative Assembly Act, standing in the name of the Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, I move, seconded by the Minister of Health that Bill No. 53 be amended in the following way, that proposed subsection 66.4(1) as set out in Section 5 of Bill 53, An Act to amend the Legislative Assembly Act, be amended by adding thereto after the word "each," in the fifth line, the word "fiscal."

MADAM SPEAKER: It's been moved by the Honourable Government House Leader, seconded by the Honourable Minister of Health, the bill as amended.

MOTION presented and carried.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, would you please call debate on Third Readings as listed on pages 2, 3 and 4 of the Order Paper in the order in which they are listed.

DEBATE ON THIRD READINGS

BILL 5 - AN ACT TO AMEND THE TRADE PRACTICES INQUIRY ACT

MADAM SPEAKER: Debate on Third Reading, Bill No. 5, standing in the name of the Honourable Member for Riel.

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

It's not really a pleasure to stand up again on this particular bill. I was hoping that after the discussions in Committee and the other readings that it would have been withdrawn by the Honourable Minister of Consumer and Corporate Affairs.

We will not support this bill, probably for the same reasons that it was previously discussed in those particular committee hearings and second reading. We believe this bill is not necessary and we do not agree with the Minister's previous statement that the present act does not provide the government, on behalf of the people, the opportunity to intervene in a market situation that cries out for intervention.

Madam Speaker, we do not support this bill because we feel that it is adequately served by Bill C-91 put out by the Federal Government, a bill that probably contains approximately 68 clauses in about 200 pages, compared to a bill by this government that has four pages and a half-a-dozen clauses.

Madam Speaker, this particular government bill, C-91, was brought up at committee and it already has been tested by a court case involving Sunoco that was fined \$200,000 by the courts and in that particular court hearing the judge, to substantiate his hearings, mentioned and definitely referred to Bill C-91.

Madam Speaker, as previously mentioned on July 16, I brought up quite extensively in my comments in particular to that bill that in Nova Scotia the marketplace has stayed consistently high. They have found that the consumers pay definitely higher prices. To the member opposite, I won't get into that again; I've already gone through all of that. We believe that the consumers lose some value in the marketplace.

Madam Speaker, we also believe that this particular bill does defeat the effective system of the marketplace. Price regulation tends to result in a little downward pressure on retail prices causing inefficiencies in existing firms, and at the same time it prevents new and innovative firms from entering the marketplace.

Madam Speaker, I think, and it's been stressed by the leader in his speech, that we are proposing a bill just to try and save the political face for the Premier of the province who made, as I say, and it's been suggested by all the speakers, an ill-considered promise during the course of his election campaign, that he would personally intervene in the gas prices and then the other day he took credit for the 9 cents a litre that they've come down. We believed at that time, we still believe it was a ridiculous statement. It was made strictly for political reasons.

Madam Speaker, he did make that particular promise back in the elections and they have gone down 9 cents a litre. To the Minister, I can hardly wait until next spring, after this bill is passed, to see another additional 9 cents go down after the strength of this particular bill. I hope that when we come back here in March of next year or the end of February, that we're all going to have another 9 cents a litre improvement. I'm waiting for that particular good news.

Madam Speaker, in closing, of course we'll be voting against this bill because we believe, as I repeated, it's unwarranted. We believe that it brings in powers that are unnecessary. Madam Speaker, we believe that it is bad legislation, and whether it's applied to bread, whether it's applied to clothing, whether it's applied to any commodities in this province, we believe that there's

an onus on government to justify its action before it proceeds. That onus exists in the present legislation. We believe there is strength enough in the present one. That onus is now going to be removed for the want of putting in a mass of unfettered powers for this Minister and his Cabinet and it's not justified, it's not warranted and we'll not support this bill.

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Madam Speaker, I'm very happy to be saying a few words in debate at Third Reading, indicating my regret that honourable members have not seen fit to reconsider their position in light of my very eloquent appeal to them to rethink their position on the basis of the clear logic that I presented in my argument to them.

Basically, I thought it was devastating, but basically the logic of my argument was this, that responsible government has to accept the fact that there are times when the public interest demands that, as government, they be in a position to act to protect the public interest; and I think that's a given and I think honourable members opposite should accept that.

Government has to be in a position to protect the public interest. Now we may argue about how government effects the protection of the public interest. Of course, when a government exercises the right that it should have to protect the public interest, if it does so in a capricious or a manner which does not prove to be advantageous to the public interest, then it will be judged by the people and suffer its due fate.

But, Madam Speaker, what we have on the statute books now is a piece of legislation that was crafted by a previous administration. I don't recall, quite frankly, what the nature of the administration was. I believe it was a Conservative, perhaps Progressive Conservative administration at the time the legislation was put in, and it was clearly designed by the then Government of the Day, to be an instrument to protect the public interest in the marketplace.

I think that same interest should still abide in the hearts and in the minds of members opposite because it's not a partisan matter. We should all be concerned to have the kind of mechanism by government to protect the public interest at any given point in time. So, Madam Speaker, when this government was faced with a situation in which an industry appeared to be reluctant to grant economic benefit to the people of Manitoba, that should have been forthcoming with a dramatic reduction in the crude prices that has taken place, when no significant reduction was taking place in respect to the market prices of the refined products, the Premier of this province - and quite rightly so - said that is an industry that is defying the market logic and is refusing to bring down prices, and so he made the commitments he did to ensure that there would be a review of gasoline prices in this province.

After the Premier made that commitment, the oil industry has brought prices down, almost to the exact amount the Premier demanded; and the people of Manitoba have thus been the benefactors by many, many millions of dollars in savings to the people of Manitoba. That is responsible government, Madam

Speaker, facing up to the fact that a government has a duty to protect the interests of the people.

Now we look at an act that was fashioned and created by a previous administration. I indicated I believe it was a previous Conservative administration that really is outmoded. It does not now provide the flexibility that is necessary in approaching problems in the marketplace that cry out for an intrusion of the public interest.

The honourable member refers to federal legislation. Federal legislation is designed to meet problems under the federal jurisdiction, not those matters that come within the provincial jurisdiction. Madam Speaker, the honourable member knows and I've explained that at the present time The Trade Practices Inquiry Act doesn't give government the kind of flexibility it needs to address the problems that confront us today. Under the revisions, not only will there be an opportunity to look at price, not only at the retail, but at the wholesale or any other level, not only will we be able to look at price not escalating 10 percent or more, but where price has not come down sufficiently, but moreover, in addition to the government being able to make a decision by Order-in-Council, we can refer the matter, government can refer the matter to the Public Utilities Board, where the public interests can be articulated by all members of the public, including Her Majesty's Loyal Opposition; and if they feel that the recommendation that the government makes to the Public Utilities Board should not find favour with the public, they, including the honourable member, will be able to make representation before that public body to indicate the course of action that should be taken.

That, Madam Speaker, provides the flexibility, provides for the democracy, provides for an opportunity for government to effectively protect the interests of the people. Therefore, Madam Speaker, I still believe that honourable members opposite should change their mind and accept the fact that they should want government to be able to effectively protect the interests of the people.

Therefore, Madam Speaker, I have no reservation, none at all, in urging all members opposite to accept the logic of the argument I have expressed and vote in favour of this bill.

MADAM SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: The honourable member talks about this bill in a fashion that tries to make people believe that the government is wanting to do more favours for the people within this province. This is a government that wants control. The previous bill needed four people and out of a million people in the Province of Manitoba, they needed four complaints in order for them to have a little hearing on it. So the Minister gets up and he says: we are doing this for the people of the Province of Manitoba. Doesn't he realize that government having those kinds of controls are dangerous? Doesn't he realize that this particular government is one that will use this bill to their whims. I've seen that Minister at a whim just say: I think those pants are too high, I'm going to control that.

Madam Speaker, I remember one day driving along in a bus with the honourable member and he just, for

example, loses his temper. We were going along on a bus and a bunch of cows in a field had a little bit of mud on their hooves and he phoned the department and says, I want that all changed. Just like that. That's the type of Minister that you'll have controlling this bill, just on a whim.

But, Madam Speaker, this government is a hypocrisy type of argument to suggest that they are putting this through for the good of the people. Well, all this government wants is control. They have control, not only gas and oil, they'll have control over all of the other commodities in this province, wholesale, retail, and everybody over there is saying, right.

Let me ask you, Madam Speaker, where else does government have that kind of control? Where else? - (Interjection)- I tell you, they know where else. That's right. They have absolutely every knowledge of the type of government that these people want which is just to push people around anytime they want to feel like it.

Madam Speaker, just one more comment. He talks about the gasoline prices and let me say to him this: the First Minister was told by the gasoline companies when they would go down and he still stood up and made his phoney statements during the election, absolute phoney statements by the First Minister which gives him an excuse to pass this legislation, to take control over people.

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Madam Speaker, I will be equally brief.

The members opposite, in opposing this legislation, appear to do so for a number of reasons. One relates the proposed amendments to the question of gasoline prices as if that was the only situation in which it might be used. They are wrong in that. There are situations in which it is the duty of government, and this is recognized by all governments whether they are NDP Governments or Liberal Governments or Conservative Governments. It is recognized that government has a role to play in the marketplace.

The degree of that intervention by the government in the marketplace may vary. But, for example, both Alberta and Ontario, and this was a Conservative piece of legislation, have in terms of The Business Practices Act, or legislation of that kind, gone far and beyond our own Consumer Protection Act in giving the government through a strong regulatory agency, the opportunity to step into the marketplace and say that this or that or the other thing is unfair or wrong in terms of the interests of consumers.

Our own Consumer Protection Act is another example of the government playing a role in the marketplace. The members opposite surely would not now suggest that we remove the Consumer Protection Act anymore than they would suggest, certainly not before an election they wouldn't anymore, that we remove The Rent Control Act, or would they? But there is a strong piece of government intervention in the marketplace to protect those who need protection when they need protection.

I hope it is never the case quite frankly, that we have to use this particular piece of legislation, but I would like to put this on the record as being the Minister responsible for this particular portfolio now occupied

by my esteemed colleague, the Minister of Labour and Minister responsible for Consumer Practices, that indeed it was very much the firm intention of the government expressed by the Premier to take action if necessary to bring down the price of gasoline.

There was no doubt about our intention and we honestly waited in the hope that market forces would in fact bring it down to the level where the report recently tabled indicates it should be and in and about the beginning of April we were led to believe that the price of gasoline would fall another four or five cents and it hasn't. We then looked at the alternatives, including the existing Trade Practices Inquiry Act, and quite frankly, if one reads that fairly, it does not give government the power to intervene in that kind of situation. It only gives government the power to intervene where the price has increased by a certain amount within a period of 12 months.

So that, had we the legislation that is now being amended in place at the time, we could have taken action as it would then be warranted. I would venture to guess, and it could only be a guess, that had we, in fact, that kind of legislative muscle and had the ability to do nothing more to flex it, we would then have a lower price for gasoline than is presently the case - and oil products. I believe that my colleague is right when he says that with this piece of legislation, had it been in place, we would have been in a position to save to the consumers of Manitoba a very large sum of money.

One final comment, the Member for Riel knows not of where he speaks when he refers to Bill C-91. It's federal legislation applicable only with respect to federal jurisdiction. It has no place in the matters within the jurisdiction of the provincial government.

So, Madam Speaker, I, too, commend this bill to the House.

QUESTION put, MOTION carried.

MADAM SPEAKER: The Honourable Opposition House Leader.

HON. G. MERCIER: Madam Speaker, could the record indicate that the bill passed on division, including the Member for River Heights on this side of the House.

MADAM SPEAKER: The bill has passed third reading then on division.

BILLS NO. 8 and 9 were read a third time and passed.

BILL NO. 10 was read a third time and passed.

HON. J. COWAN: With the agreement of members opposite, let the record show that this bill was passed unanimously by the House.

MADAM SPEAKER: The Honourable Opposition House Leader.

MR. G. MERCIER: Madam Speaker, I think the record can show that the bill was passed by all members in attendance at the House at this time.

BILLS NO. 23, 24, 26, 29, 30 were each read a third time and passed.

BILL NO. 32 was read a third time and passed.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, subject to any qualification the Opposition House Leader might wish to suggest, can the record also show that this bill was passed unanimously by the House?

BILLS NO. 35 and 37 were each read a third time and passed.

BILL NO. 39 - THE MANITOBA ENERGY AUTHORITY ACT

MADAM SPEAKER: Bill No. 39, standing in the name of the Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Madam Speaker, I adjourned this bill on behalf of the Member for Morris.

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Madam Speaker, my remarks on this bill will be very brief. We've had an opportunity to pose many of the questions that we had in mind in the committee when the bill was being considered. Nevertheless, Madam Speaker, I think it's important that the government attempt, when they are considering expanding the powers of the particular Energy Authority, moving into new areas, that they provide at first opportunity, an opportunity for members of the Legislature and Opposition, and indeed members of the public as a whole, a deeper understanding as to what it is that the Energy Authority might be conceiving as to a new area, a new realm of responsibility that it might be entering into.

Madam Speaker, we've wanted to know specifically how it was that the potash development might now become a major responsibility of the Energy Authority. We wanted to know specifically what energy per se meant - I think we posed this question because to our way, even though we understand it's just a further expansion and a further description of existing legislation, I think we wanted to know from the former Minister at that time, when he had the responsibility for this bill, as to how one defined energy. Quite conceivably, Madam Speaker, one cannot in their own mind be able to, at this point in time, have a full understanding of what energy may be in the future.

With those few comments, Madam Speaker, I think that we are prepared to let this go to a vote.

QUESTION put, MOTION carried.

MADAM SPEAKER: The Honourable Opposition House Leader.

MR. G. MERCIER: Can the record show that Bill No. 39 passed on division.

MADAM SPEAKER: On division, yes.

BILLS NO. 42 and 46 were each read a third time and passed.

BILL NO. 47 - AN ACT TO PROVIDE FOR THE ESTABLISHMENT AND MAINTENANCE OF A BOYS' AND GIRLS' BAND IN THE TOWN OF DAUPHIN

MADAM SPEAKER: Bill No. 47. Question?

The Honourable Minister of Highways and Transportation.

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

I want to just take this opportunity to put some very brief remarks on the record on the occasion of the amendment to the Dauphin Boys' and Girls' Club bill. I just want to point out to the House that the Dauphin Boys' and Girls' Band has been in existence since 1910 in Dauphin.

Much later than that, a plan was formulated so that the Boys' and Girls' Band would be supported by town taxation. In 1951, an act was passed by the Manitoba Legislature for establishment and maintenance of the band in Dauphin. The bill called for a minimum budget of \$1,600 annually, paying for the bandmaster and assistant teachers. The taxation rate is .5 mill on the dollar on the assessed value of the land, and this budget has served to ensure the continued operation of the band over the years.

The senior band is the show band of the community and is the goal of the individual student. Certainly all members hope to reach that level when they participate at a very young age in the program that is in place under the Boys' and Girls' Band. Members of the band have participated in Dauphin, Brandon and Winnipeg Music Festivals. They have attended band programs at the International Music Camp, and they have been members of the Manitoba All-Province Band and the National Youth Orchestra.

I just want to briefly pay tribute to the bandmaster, who has held that position since 1953 in Dauphin. His name is George Zradicka. He has given a great deal of his time and dedicated service to the Boys' and Girls' Band over the years, the last 33 years, Madam Speaker.

The band has performed in parades, at fairs, at political rallies, at festivals and at two annual town concerts on Christmas Day and on Mother's Day each year. Of course, there have been many other dedicated volunteers who have contributed countless hours, Madam Speaker, to the operation of the band.

I want to mention the highlight for the Dauphin Boys' and Girls' Band, and that is when they had the opportunity to play for Queen Elizabeth II, Her Majesty, when she was in Dauphin in 1984.

I'm pleased to see the continued cooperation between the Rural Municipality of Dauphin and the Town of Dauphin that is evident in this amendment to the Boys' and Girls' Club, and I want to take this opportunity to congratulate the band and all those who have been associated with it and thank them for their contribution to the cultural life of Dauphin for so many years.

MADAM SPEAKER: The Honourable Member for St. Norbert.

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

We on this side of the House, Madam Speaker, are pleased to cooperate in the passage of this bill for the

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Boys' and Girls' Band in Dauphin, and certainly would wish to go on record as congratulating all the members of the band and their supporters, the municipalities involved and everyone involved. We wish them well in the future, Madam Speaker.

Thank you.

QUESTION put, MOTION carried.

BILLS NO. 48 and 49 were each read a third time and passed.

THIRD READING - AMENDED BILLS

BILLS NO. 3, 11, 15 were each read a third time and passed.

BILL NO. 16 - THE SNOWMOBILE ACT

MADAM SPEAKER: The Honourable Member for Turtle Mountain.

MR. D. ROCAN: Thank you, Madam Speaker.

I am pleased this bill is up for Third Reading. As I indicated at the Second Reading stage and in committee, we support this bill wholeheartedly, Madam Speaker. During the course of the last couple of days, I have had concerns expressed to me regarding off-road motorcycles, minibikes, etc., which have not been included in this present bill.

I would encourage the Minister to consider the inclusion in The Snowmobile Act, and I would hope after careful consideration, he would bring in an amendment to the act in the next Session.

Once again, Madam Speaker, we support this bill and we'll let it go to the Third Reading stage.

QUESTION put, MOTION carried.

BILLS 17, 18, 25 were each read a third time and passed.

BILL NO. 27 - THE LIQUOR CONTROL ACT

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Just a word of explanation. - (Interjection)- This is consensual and has nothing to do with what you think it has to do. Members may recall that the Member for St. Norbert and I agreed on an amendment at Committee stage, and I just want to make it clear that we also agreed that it would not be proclaimed - I just want to put that on the record - until we've had an opportunity to consult with various affected parties. This is the particular section having to do with the percentage of alcohol which is under control. I won't explain it beyond that.

We've had further consultations, and I hope to have further discussions with my caucus, as the Member for St. Norbert does with his, and we, I think, may leave it in suspension - if I can use that term - until the next Session when we can look at it constructively.

QUESTION put, MOTION carried.

BILL NO. 28, was read a third time and passed.

BILL 31 - THE SOCIAL ALLOWANCES ACT, THE MUNICIPAL ACT AND THE MENTAL HEALTH ACT IN RELATION TO LIENS

BILL NO. 31 was read a third time and passed.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, please let the record show, again, subject to any qualifications that the Opposition House Leader might have that this bill passed with the unanimous consent of the House.

MADAM SPEAKER: The Honourable Opposition House Leader.

MR. G. MERCIER: Madam Speaker, I think we can only speak on behalf of those members present.

BILL NO. 33 - THE MUNICIPAL ACT

MADAM SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Thank you, Madam Speaker.

I have to take this opportunity in the last stages of the legislative Session to make a couple of points dealing with the activities of the Minister of Municipal Affairs and the fact that he tried to implement a change on the municipal councils in the Province of Manitoba without prior consultation and without them having a clear understanding and fully supporting the move that he proposed.

I will acknowledge that the Minister did yield to the pressure that came to him after they had the opportunity to review the bill, but the Minister has to be chastized, Madam Speaker, for not, during the process of spring meetings with the Union of Municipalities, fully explaining to them precisely what he was proposing to do. The point I'm raising is the matter of consultation should have taken place and didn't.

I would recommend that the Minister, in the future, Madam Speaker, pay more attention to the constituency which he represents and would ask that full consideration be given to that. We will be watching the Minister, Madam Speaker, in his activities dealing with municipalities in the coming months and would hope that in future he does act in the best interests of those municipalities and does not move unilaterally against their wishes.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Minister of Municipal Affairs.

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

Just a brief response to the comments of the Member for Arthur, I think that when the member expresses those kinds of concerns, there is a responsibility on his part to ensure that what he says has some basis in fact.

The truth of the matter is that the contents of the bill had been conveyed to the union. I'm not responsible

for the manner in which the Union of Manitoba Municipalities deals internally with their membership. I believe there were some extenuating circumstances involved here, and I would suggest that the Member for Arthur should make himself aware of what those circumstances were and that he would not be critical of either myself or the union for that minor difference.

As it has happened, I have indicated - and I'm willing to send that matter to the advisory council - it will be dealt with at that time and the membership of the municipal bodies will be fully consulted. So, those are my closing remarks.

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Madam Speaker, I've been sitting on the edge of my seat all day today waiting for the Minister of Municipal Affairs to announce when it would be that he would be holding a meeting for elected members of this House, so they might be able to meet with his staff to provide a better understanding of this whole assessment taxation reform issue.

Madam Speaker, the Minister is now challenging me to name the date. I can't make that date, Madam Speaker. I'm asking him for the third and final time in the last two weeks whether he was sincere in offering that to us and whether or not he will attempt to have that meeting called within the month.

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, just briefly, since the Minister has spoken, in conversation with him, he will be contacting representatives of the Opposition to set up a date in very short order, within the next week, to set up a date.

QUESTION put, MOTION carried.

BILLS NO. 36, 38, 40, were each read a third time and passed.

BILL NO. 41 - THE PRIVATE TRADE-SCHOOLS ACT

MADAM SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Madam Speaker, I just want it known that our leader is absent and as he indicated earlier, because of a possible conflict on this particular bill, will not be involved in the vote.

MADAM SPEAKER: So noted.

QUESTION put, MOTION carried.

BILLS NO. 43 and 44 were each read a third time and passed.

BILL NO. 45 - THE CIVIL SERVICE SUPERANNUATION ACT

MADAM SPEAKER: The Honourable Minister of Urban Affairs.

HON. G. DOER: Madam Speaker, I am in conflict of interest and will leave the House. I would like the record to show it.

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: I would like the record to show that I also have a conflict and am leaving the Chamber.

MADAM SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Since I had been a civil servant in the past, there might be a conflict of interest on my part as well, so to make sure, I will leave as well.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please. The Honourable Minister of the Environment.

HON. G. LECUYER: I don't know if I have a conflict of interest, Madam Speaker, but I'll leave the House anyway.

QUESTION put, MOTION carried.

THIRD READING BILL NO. 12 - THE LEGISLATIVE ASSEMBLY AND EXECUTIVE COUNCIL CONFLICT OF INTEREST ACT

HON. J. COWAN presented, by leave, Bill No. 12, An Act to amend the Legislative Assembly and Executive Council Conflict of Interest Act, for Third Reading.

MOTION presented and carried.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Yes, Madam Speaker, again, subject to any clarification by the Opposition House Leader, please let the record show that this bill was passed unanimously by the House.

MADAM SPEAKER: The Honourable Opposition House Leader.

MR. G. MERCIER: Madam Speaker, again, the same qualification, we can only speak on behalf of those members present in the House.

BILL NO. 14 - THE MANITOBA ENERGY FOUNDATION ACT

HON. J. COWAN presented Bill No. 14, The Manitoba Energy Foundation Act, for Third Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Member for Morris.

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

Madam Speaker, this bill should not be passed. This bill should be defeated.

Madam Speaker, I think there is no better reason than came home again yesterday in the newspaper article, where it became evident that Manitoba's Hydro, our natural resource, so treasured by each and every one of us, may become an issue in free trade bargaining.

Madam Speaker, we've said from the outset, firstly, if there is profit associated with the sale of Limestone generation to the States, that if there is profit, that that then would be the proper time at which to pass an act like this, a heritage fund so to speak. Not 12 years hence, Madam Speaker. The Minister of Energy has given us the reasons, mostly political, in my view, why this bill has been brought forward and passed in this Session.

Madam Speaker, we also said in our view, we question the degree, if any, of profitability that will exist with the NSP sale. Madam Speaker, we've said that all the factors that have gone into the theoretical model that have spelled out a profitability in 1984 dollars of \$385 million, all those factors, Madam Speaker, have not yet been identified. We think that there are other factors that can come into play over the next five or ten years that may take away that illusory profit.

Madam Speaker, one of them was laid before us yesterday. We did not know that there was a building force in the United States that, in some sense, was opposed to Manitoba exports. We thought Americans, in total agreement, were prepared and wanted the generation of hydro-electricity. We thought that there would be no group in the States that would be opposed to Manitoba power being exported.

Madam Speaker, exports of Manitoba Hydro have now not only entered into the politics - which have been in the politics of Manitoba for many years - are now finding their way into the politics of trade negotiations between Canada and the United States. I say, Madam Speaker, that that was one factor that was not considered into the profitability of the theoretical model as generated by the Energy Authority, or Hydro. Indeed, it was certainly not considered by the National Energy Board, as the members opposite like to indicate on every occasion that that board supported wholeheartedly, the export of Manitoba power to the United States.

Madam Speaker, that's why this act should not be passed, because it promises - it holds out the promise, and I say, the false hope, that there are significant and massive profits associated with the sale of hydro from Limestone to Northern States Power. We've shown in the past that at this point in time, the worst mix of factors are in existence, if they continue to be so, again, the profitability associated with that sale will not materialize to near the extent as was indicated two years ago when the sale was announced.

I think it's for this reason that this so-called Energy Foundation, our heritage fund, Madam Speaker, should not be put in legislative form at this point in time. Let's wait until profits do exist, if they exist.

MADAM SPEAKER: The Honourable Minister of Industry, Trade and Technology.

HON. V. SCHROEDER: Thank you, Madam Speaker.

I am really pleased to rise in support of this bill, which we campaigned on behalf of during the last election campaign, and for which we received a mandate from the people of Manitoba to proceed now, we told them we were going to proceed, we are proceeding. We are not afraid of the United States as being some kind of an unstable country where we can't arrive at an agreement which will not be honored by that country. Anyone who suggests for one second that everyone in that country is happy with hydro-electric imports by the U.S. simply hasn't been keeping up with what has been happening in the United States. It is obvious that the coal producers are not happy when we sell hydro-electric power to the U.S.; it is obvious that Bonnyville Power, as an example, where we don't have to be involved directly with our own purchase and sale, Bonnyville, south of British Columbia, has been doing everything possible to prevent the sale of British Columbia hydro-electric power into the California market. Why? Because it will affect its profits.

Obviously, there are people who are going to be negatively impacted in the U.S., but the U.S. people also understand that they're getting a fair price on this arrangement; we're getting a fair price; we're getting a profit. That is something that the members opposite, and I know the Member for Lakeside is going to be rising shortly, after the golden hook, and he must be reminded again, that we had the choice of going or not going. That was the choice that was made several years ago and when we went to the National Energy Board, under their proposal, we would not have the sale and they would still have to build Limestone, starting next year, and they wouldn't have that 500 megawatts of firm sale, and they would have to practically give it away as they did in the past, when they didn't have firm sales before they had their plants in place.

That's the option they would have taken; that's the option that would have cost us money; cost the farmers and consumers and businesses of this province money in terms of increased costs for their hydro-electric power, and that is why we proceeded the way we did and half of that profit will go to keep the price of hydro-electric power in Manitoba among the lowest in North America, and the other half will go for our economic and social development, and that's what the bill's about and I'm supporting it.

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Madam Speaker, this is an important measure before us, and it was actively described when it was first indicated to us that this would be coming forward in the Throne Speech when it was described in the editorial by . . .

A MEMBER: By whom?

MR. H. ENNS: . . . by whom I don't know, but most decisive and potentially the most dangerous plan

announced in the Speech from the Throne is the promised legislation to establish a Manitoba Energy Foundation which is, in effect, legislation to milk Manitoba Hydro, Madam Speaker, Bill 14.

Madam Speaker, what it is, of course, and my colleague from Morris has accurately given a number of reasons why it is perhaps one of the most cynical pieces of flimflam that we have seen enter into this House in a long time. Let's even leave aside the question of profitability. There are enough reasons, enough concerns and we're that far away from that highly volatile energy field.

Madam Speaker, certainly in the field in dealing with energy, all of us - those of us involved in public life - ought to have been given a lesson in the last half-dozen years as to how dangerous it can be to predict what is going to happen to energy costs in the future. Look at the massive amounts of Canadian tax dollars and private dollars that were poured into programs on the premise, just a few years ago, that we would have oil prices at a certain level and continue rising oil prices. Look at the disaster, look at the social disaster that is being caused right now by that sudden turnaround. They estimate 50,000 to 60,000 people thrown out of work in one province alone, in Alberta, as a result of that.

Now, Madam Speaker, those were all reasonably responsible decisions being made by the private sector and by the public sector. Nobody was deliberately doing something that they didn't believe at the time that they were making those decisions weren't in the public interest, but it turned out those decisions that were made were disastrous. Now we are being asked to pass a bill here that talks about the year 2000 and what's going to happen beyond and in that volatile energy field, Madam Speaker, that's why I call it cynical.

Madam Speaker, there are - and let me take this occasion, I mean the Minister of Energy had his fun today at question period in respect to some new descriptions of myself - the truth of the matter is, whether or not we like it or not, and I have every confidence that the traditional pattern of being able to sell and having sold energy across the line to Northern States, that was established by a Conservative administration in the Sixties and carried on by the Schreyer administration and carried on by the Lyon administration, and now proceeding with this administration, but that pattern is a well-established one.

I think some of the arguments being put forward by the lobbyists opposed are specious and lack total knowledge of our situation, when they speak about the fact that we have less stringent environmental controls on our plants, they simply don't know what they're talking about. We don't need coal scrubbers, you don't have chimney stacks. That is all known to me and it wasn't necessary for the Minister of Energy to choose to overlook that concern.

What is of concern is - and I'm sure a trade negotiator would talk about it - that it's contained right in this year's Annual Report of Manitoba Hydro - the \$80 million of tax money that we have voted them to stabilize the rates on this Rate Stabilization Act for foreign currency fluctuations. That is a direct input by government to stabilize Hydro rates in this province and, Madam Speaker, one of the arguments of course

that we've had with this Minister is, we would feel a little more comfortable if we were selling Americans hydro rates at the cost of production of the dams that we're now building at Limestone - the Limestone production cost - but we're not. We are selling systems rates.

It could be argued, Madam Speaker, that when we're selling systems rate power, that in effect is a form of subsidy when you take into consideration the plants along the river system, the other older plants, amortized plants that have been paid for, for many years.

We would, of course, feel much more secure if the deal that was arranged with NSP took into account more realistically our production costs at Limestone, instead of based on 80 percent of coal prices, American production costs and using that against our systems rates to hold out a picture of profitability to us. But, Madam Speaker, I'm not arguing the case of profitability, that we are going to see as the years roll on. What this government hasn't come with is clean on the actual costs that we now face.

Nowhere has Manitoba Hydro or has this government talked seriously to the ratepayers of Manitoba Hydro about what the eventual cost will be to meet our commitments of the Northern Flood Agreement. The Minister responsible for Native Affairs is certainly aware that they could be substantial.

Again, we have other figures coming to us from Ottawa, the Nielsen Report, talking about figures that range as high as our share being \$390 million - I don't know what it is and I'm not suggesting that's what it is - I know we have put in numbers of millions of dollars. I know that Hydro has offered between \$30 and \$40 millions which has been rejected and turned down, so it has to be between 40 and perhaps the outside figure that was mentioned in the Nielsen Report. But whatever it is, those costs will have to be borne by Manitoba ratepayers.

The truth of the matter is, Madam Speaker, the record probably will show more clearly and this record of this government and this Minister will show more clearly that in NDP years, your hydro rates rise exorbitantly. In Conservative years, they are stabilized and that is the record and that can't be denied. For this government now to talk, now to trade on the buzzwords of Heritage Funds, talking about money that is nowhere near in sight is flimflammy of the worst kind. We oppose the bill.

MADAM SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: I want to make a few comments, although I had the majority of my say when the bill was in Second Reading and I would still subscribe, Madam Speaker, to the points that were made in that speech and the ones which my colleagues have made.

(Mr. Deputy Speaker, C. Santos, is now in the Chair.)

The fact of the matter is that by the time this bill is needed, perceived to be needed by the New Democratic Party, Madam Speaker, will be the year 2002 or 2000-and-something. By that time, Madam Speaker, if the continuation of the deficits in this province continue with the escalation of the multiplier effect, I project that

within seven years we'll be paying 10 points on the sales tax just to carry the debt for the Province of Manitoba; within 14 years which will be the year 2000, the multiplier effect could well have us paying 15 points on the sales tax just to carry the debt, unless something is done to arrest that.

So to talk, to tell the people of Manitoba and leave the perception that there is some great amount of money coming for a Heritage Fund out of Hydro, coming from our oil wells of the southwest that the taxpayers now are investing in and losing \$10 a barrel for every barrel produced. From the Manfor forestry products at The Pas, Mr. Deputy Speaker, from those great losses, those massive losses of MTS and MTX, those Crown corporations that have been so exemplary of the way in which governments carry on operations. Seventy years in business, the Manitoba Telephone System loses \$500,000 with a plant paid for, running around investing in Saudi Arabia, Mr. Deputy Speaker, and they tell us we're going to have a Heritage Fund?

I will not proceed to speak too much longer, Madam Speaker, because if the government really stopped and looked at the books that they have left for the people of Manitoba, the deficits, the sales tax, the increase in costs, the cutting out of hospital beds, the rationalizing of the medical services that are provided to the people of Manitoba; if they really take a look at themselves and then proceed and say they're going to develop a Heritage Fund, Mr. Deputy Speaker, they only have to smile at themselves.

If they think that they could sell that kind of a principle to the people of Manitoba, that there's going to be money in a Heritage Fund by 2000 under their administration, then they'll be the laughingstock of themselves, Mr. Deputy Speaker.

It isn't possible the rate at which we're continuing on with deficits and going in debt, it isn't possible. There are too many expenses being incurred on a daily basis, on a yearly basis by this administration to ever hope for any Heritage Fund. They'll have left us a legacy, Mr. Deputy Speaker, a legacy of debt and no chance for a Heritage Fund, rather than the opportunity for a Heritage Fund.

Mr. Deputy Speaker, I hope to live many years, but I doubt if I'll ever hear the first coin drop into that piggybank that they're setting up today in this Legislature. I would dare say that there would be very few of us to ever hear the clinkle or a tinkle of a coin that drops into that piggybank that they're developing.-(Interjection)- That's right.

Mr. Deputy Speaker, I will conclude my remarks by saying, it is absolutely ridiculous that they're trying to shove on the people of Manitoba the kind of thought that we're going to have funds out of the energy programs that they're developing to put in a Heritage Fund. My colleague from Lakeside puts it very well, it is pretty much - I won't use the word on the record - but it is something that is pretty far-fetched and very much in fantasy land and I certainly have no intention of supporting this bill.

MR. DEPUTY SPEAKER: The Member for Inkster.

MR. D. SCOTT: Thank you, Mr. Deputy Speaker.

I welcome the opportunity on Third Reading to make a few comments on this bill, a bill that I feel is a very

important bill. As is shown by the members opposite, they like to act with hindsight. We, on this side, like to act with a bit of foresight and this bill shows foresight.

It shows confidence in the economy of Manitoba. It shows confidence in our export arrangements where we have built in adequate profits in those sales; and if we had not had those profits built into the arrangement, do you think for one moment that the National Energy Board would have ever approved the sale south of the border? - not a chance.

I'm disappointed today in the Member for Morris when he stands up and he accuses a bill of being some sort of a flimflam that there is no profits to be distributed, that the deals that we are selling Hydro south of the border on, will not provide a significant net benefit to the Province of Manitoba and to the people of Manitoba.

When that return comes back to these people, I do not believe that all the benefits should go to a particular Crown; that Crown, having had the decisions made in cooperation with the department and with the Energy Authority for sale arrangements, that those revenues, those profits that are made from those sales should in turn go back - not just to maintain Manitoba's standard of having among the lowest hydro rates in the world, certainly on this continent - but also to assist in the diversification of our economy. If anybody looks down the road at all instead of looking behind us - where so many of the members opposite seem to have some sort of fixation - and look at the kind of economic decisions that are going to have to be made in the private sector, in the public sector, jointly between the two sectors, so that we shall have in this country and in this province a viable growing economy, to be able to provide jobs for young people coming onstream today, as well as security for those of us in the work force currently, and for those who are retired presently and those who will be retiring in a few short years? This bill provides for the province an additional bit of that security.

We are not going to allow, as the members opposite did, to take a period when Hydro was having particularly good years and to say that we're going to have just a straight freeze in our rates, we're going to close our eyes to the world around us and that we're going to turn around and subsidize Hydro operations out of the public purse, as has been done for the past number of years - and I see them on their feet - and above all the Free Press now criticizing the province for financing Hydro through the Hydro Rate Stabilization Fund, when they turned around constantly and praised the previous government for the rate freeze. The rate freeze was only made possible by that Hydro Rate Stabilization Fund and now they're saying, keep the rate freeze and do away with the Stabilization Fund. Well, the two things just don't jive.

We haven't been able, unfortunately, to do away with the Stabilization Fund at this time, so that the province will not have to make the significant contributions that it does towards assistance to Hydro. What we are counting on with this legislation is future returns to the province and this legislation shows a bit of foresight that the revenues coming from that are not simply going to go into one little pot, but are going to - with public consultation and with public advice through the Lieutenant-Governor-in-Council - any authority shall be invested to provide future security for Manitobans.

It's a good piece of legislation, Mr. Deputy Speaker.

MR. DEPUTY SPEAKER: The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: I will just make a few short comments, primarily in response to the Member for Lakeside, who is the Energy critic. I think, in Second Reading especially, he went through the detailed argument on this, and I think he put the position of his caucus well. I think that's on the record, and I think that my colleague, the former Minister of Energy and Mines, in introducing the bill on Second Reading, put the position of the government well. I think those are the basic positions.

I just do want to talk about a couple of things that he raised, though. He feels that this is cynical. I disagree, but we will disagree on that basis. Profitability, he says, well, we'll see what the proof of the pudding is in time.

It's interesting to note, I would suggest to the member, that some of the people who are concerned about the power sales to the United States, in the United States, are concerned that they will be paying a great deal in the future. I don't think it's our intention to gouge anyone, but the point is that they don't have too many options for the provision of their electrical energy. They don't have hydro. They've got problems with nuclear, got problems with coal. They have a whole set of regulatory institutions in place that will prevent them from quickly meeting demand when that demand increases. There are more and more indications that, although people may have overestimated demand escalation in the Seventies, they have seriously underestimated demand escalation in the Eighties. They may find themselves in a serious shortfall in the 1990's.

So, I do believe that we will be in a very good profitable position. I think the National Energy Board, in their calculations, have agreed with that. I think that, as was indicated in the House here, the construction costs of Limestone - and I don't think it's proper to just throw Limestone into it because I do think it's the whole system that provides power - the construction costs of Limestone per se will be less than the price we get.

I think the member, in his debate on Second Reading and possibly when he was reviewing the Minister of Energy's Estimates, felt that somehow those figures were inaccurate because what he's done, he's taken into account the construction costs of Limestone and added to it all the distribution costs and then said this is what a Manitoban pays for hydro. When we sell power to the States, we aren't building in those distribution costs. They, on that side of the board, have to pay their own distribution costs, and that leads them to a situation where they're paying two to three times for their hydro at the residential level than we are paying here.

He raises the point, and I think the Member for Morris did as well, that we face uncertainty in the world. I agree we face uncertainty. The point is, what do you do in an uncertain world? If we took the approach that I think the Conservatives are suggesting, I think we would sit in a comatose state of paralysis. We would not have had the CPR with that approach; we would not have had, say, the Winnipeg Aqueduct, which I think

are far-sighted developments. And we wouldn't have had one that I think the Member for Lakeside has been well acquainted with, namely, the Red River Floodway, which I think was a visionary development and one which I will admit was criticized by members of the Opposition, including members of the party that I belong to, when they were in Opposition. But I commend that government's foresight at that time for giving us a tremendous infrastructure in this province, that has more than paid its way. Even though many people were calling it Duff's Folly or Duff's Ditch, I think they look back and say this is a very solid piece of infrastructure in this province.

So, we are uncertain. We've done our homework, we believe. We are confident. We believe we have a vision of the future, and we are proceeding. We think that what we will have is an instrument, through these power sales, through the Foundation, which will enable us to have the lowest hydro rate structure in North America, while at the same time providing for economic diversification and social development.

(Madam Speaker in the Chair)

That is the position we ran on when we went to the people. We did receive a mandate. I will just add one little footnote that I did have a little bit of fun this afternoon, but I did indicate that I thought maybe the member had been misquoted. The headline is very dramatic against the member, and I think that he has cleared that up today, because clearly there are a number of specious and spurious arguments.

I would like to just finally conclude by saying that we don't provide any type of subsidy, even through the exchange rate stabilization. We provide that subsidy to our users because our price is based on cost. The price we charge to the Americans, and the member says that this is where you have more uncertainty, is based on their price and a percentage. We believe that there is a massive differential between their price and our cost. Granted our cost does have a subsidy built into it, but we are going to be taking back a portion of the profit we make from that sale and putting it back into a fund that is of general use to the taxpayer. We think that more than evens the score out.

So, on that basis, we on this side feel that this is a visionary piece of legislation. We believe it's required now because hydro development requires long-term planning. You can't do it on the basis of one year or two years when you're into developments that take seven or eight years and, in many instances, 12 to 14 years to develop when you take into account the site selection, the geological work, the engineering and the actual construction. On that basis, I think there is a clear difference between the Opposition and the government. That's as it should be, and that's something that the people will have to judge in the future. We are confident of this bill.

MADAM SPEAKER: The question before the House is Third Reading on Bill No. 14.

QUESTION put, MOTION carried.

MADAM SPEAKER: The Honourable Opposition House Leader.

Wednesday, 10 September, 1986

MR. G. MERCIER: Madam Speaker, I could indicate on division, all members on this side of the House, whether present or not, including the Member for River Heights.

MADAM SPEAKER: The bill is carried and so ordered, on division.
The Honourable Government House Leader.

BILLS NOS. 20 and 22, by leave, were each read a third time and passed.

BILL NO. 52 - THE MANITOBA MEDICAL ASSOCIATION FEES ACT

HON. J. COWAN presented, by leave, Bill No. 52, The Manitoba Medical Association Fees Act, for Third Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Just for the record, I earlier today, as promised, delivered to the Member for St. Norbert a legal opinion with respect to the legality and constitutionality of the bill. He had first raised this question with me during Estimates. I didn't have the opinion ready at committee, but I did furnish it to them earlier today. I am satisfied with the opinion that the bill is both legal in terms of existing legislation, and constitutional in terms of any possible Charter challenge.

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: One question for clarification arising out of the presentations to the committee. Will the Attorney-General resign if the opinion is not upheld?

HON. R. PENNER: By the time it works its way up through the Supreme Court, that question will be academic.

QUESTION put, MOTION carried.

MADAM SPEAKER: The Honourable Opposition House Leader.

MR. G. MERCIER: Madam Speaker, could the record show the bill was passed on division, including the Member for River Heights on this side, in opposition.

MADAM SPEAKER: So recorded.
The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, I'm going to skip over a couple of bills and come back to them.

BILL NO. 57 was read a third time and passed.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, can you call Second Reading on Bill No. 54, please?

ADJOURNED DEBATE - SECOND READING

BILL NO. 54 - THE REAL PROPERTY ACT

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Madam Speaker, I adjourned this bill for the Attorney-General.

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Very briefly. In a sense with some regret, we will be opposing this bill. We certainly respect the intentions of the Member for St. Norbert, who moved the bill, and I understand the concerns which the Member for River Heights has, but two observations must be made.

I've furnished the Member for River Heights - I can't recall whether I furnished the Member for St. Norbert and I will send this across to him - a memo from the District Registrar of the Land Titles Office, indicating that in fact when we removed building restriction caveats in the last Session, there were, in effect, some several hundred such caveats. Bill 54 addresses only the Enderton caveat, and if we were really to turn back the clock, we would have to deal with all building restriction caveats.

But that isn't the main objection. The main objection, as cited in the opinion from the Land Titles Office is that we simply, at this stage, could not, even if it was deemed desirable to do so, turn back the clock, as I've used that phrase.

The final comment I want to make is that I stated at the time the bill was introduced, and I've stated subsequently to those, in Crescentwood, from the Crescentwood Homeowners Association, to the Member for River Heights, that the intention was to rely on modern zoning law and if they felt that R1 one zoning was insufficient to protect the interests of property owners within the caveated areas, they could lobby to have such zoning laws upgraded to give additional protection equivalent to the protection formerly carried in the building restriction caveats.

Just as one example, indeed the incidence of the Crescentwood Homeowners Association, whose major concern was the question of front yard alignment, a thrilling question no doubt, but important to those who live in such areas, the R1 previously had a front yard alignment of 25 feet setback; the Enderton caveat had 40 feet, and indeed they've got the zoning change. It was passed and they now have, by zoning law, the 40-foot setback, which they want. That's the way to go; that's the way we control urban development, through zoning laws, not on 50-year-old caveats which were effective for the time but can no longer, as things move, be applicable to reasoned, rational and contemporary urban development. So for those reasons, we are opposing this bill on second reading.

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker.

The Enderton caveats, in historic terms in the development of the City of Winnipeg, are among the oldest and they have, in fact, provided for a unique residential area very close to the core area of the City of Winnipeg. In fact, there are many of us who believe that if it were not for the Enderton caveats, the core area of Winnipeg might indeed be much larger than it is at the present time.

We have already seen, because of a lack of Enderton caveat, farther down and close to those protected by those Enderton caveats, the movement of all kinds of development, both commercial and multi-residential. What the Enderton caveats have done is to preserve this unique R1 zoned residential area with setbacks, with interior parks, with a lack of ability to develop commercial property very close to the City of Winnipeg's core.

It has made an area where many of those sitting in this House have in fact been raised. In addition, it continues to be home to a great many people. When the Enderton caveats were summarily removed last year, they certainly turned back the clock in terms of the future development of that particular unique area. The Crescentwood Homeowners Association should not have to lobby the City of Winnipeg to return to them what was always theirs by law, by Provincial Statute, which was, as I stated earlier, summarily removed from them without any consultation of their rights under those Provincial Statutes.

Madam Speaker, I think it is to be regretted that the government does not see fit to restore to the people of Crescentwood the rights that they formerly had and that were taken from them. I hope that this government does not live to regret future suits down the line that might be registered against the government of this province for, in fact, taking away something which had legally been granted.

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Madam Speaker, just briefly in response to the Attorney-General, and over and above the comments I made in introducing this bill for second reading.

If I had my choice between having a caveat filed against my title to protect what I felt were legitimate concerns with respect to the matters that the Crescentwood Homeowners Association have raised, such as the front yard setback, the side yard setback and, importantly, no subdivision of properties to allow additional dwellings, as opposed to being protected by zoning laws of the City of Winnipeg, I would much prefer to have my interest protected by the caveat than by the Municipal Board, a board appointed by the Provincial Government of the Day to independently hear such matters, rather than have or subject my interest to the whim - and I'm not making this with respect to any specific councillor - but to the whim of an elected member of City Council, whose decisions and the decision of council, may be subject to any political whim.

I think there's much greater protection by means of the caveat and the Municipal Board, than the other area, the zoning laws of the City of Winnipeg, where

the decisions, I think, are not made, frankly, in my view, in the best manner. I would prefer to see a different method of zoning in the City of Winnipeg and have an independent board appointed by the city to be responsible for these kinds of decisions.

In any event, Madam Speaker, what becomes obvious is that when the government removed this caveat - and it would appear that they will not admit to this - but it was removed inadvertently and perhaps negligently, because I had asked the question when that bill was introduced would that bill, removing caveats, affect any existing operating caveats. The answer was no.

There was insufficient research done when this caveat was removed and the government, unfortunately, now finds itself in the position of trying to defend that action. It is difficult to put it back after two years, no question about that, but I believe it can be done, and I believe the people living in the Crestwood Homeowners Association have been unfairly dealt with and should be entitled to some action to restore what they had in terms of the protection of the Enderton caveat. It's regrettable that was taken away from them and that the government is not prepared to take any action at this time to reinstate that caveat.

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Madam Speaker, I move, seconded by the Member for Gimli that debate be adjourned.

MR. G. MERCIER: Madam Speaker, I have closed debate.

QUESTION put, MOTION defeated.

MR. G. MERCIER: Madam Speaker, let the record show that the bill was defeated on division, including the Member for River Heights in support of the bill.

MADAM SPEAKER: So ordered.

THIRD READING

BILL NO. 55, by leave, was read a third time and passed.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, would you please call, by leave, Report Stage for Bill No. 53. We have to add an additional amendment to it at the Report Stage.

REPORT STAGE

BILL NO. 53 - THE LEGISLATIVE ASSEMBLY ACT

MADAM SPEAKER: Report Stage, Bill No. 53.
The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, I move, seconded by the Minister of Agriculture, that the proposed new subsection 66.4(3) as set out in section 6 of Bill 53,

An Act to amend The Legislative Assembly Act be amended by striking out the "a" and substituting therefor the words "in each fiscal".

MOTION presented and carried.

MADAM SPEAKER: Shall the bill, as amended, be concurred in? Agreed? (Agreed) Agreed and so ordered.
The Honourable Government House Leader.

HON. J. COWAN: Yes, Madam Speaker, would you please call Report Stage for Bill No. 4, by leave.

BILL 4 - THE FAMILY FARM PROTECTION ACT

MADAM SPEAKER: Shall the report of the committee on Bill No. 4 be concurred in?
The Honourable Government House Leader.

HON. J. COWAN: Yes, Madam Speaker, I move, seconded by the Minister of Finance that clause 13(9)(c) and all that portion of subsection 13(9) following clause (c) be repealed and the following clause be substituted therefor, (c) "issue such other procedural relief as the judge considers appropriate."

MOTION presented.

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Chairman, just some brief comments dealing with this amendment. The proposed amendment is to a part that was raised by the credit union system and banking institution about the authority of the court to amend the security agreement. We are deleting this section. We were to do it last night and it was through inadvertence not done.

Now the question that was raised earlier today about the procedural relief that a judge can, in fact, consider are - and I'll give an example - for example, I'm advised by lawyers if an application form was not filled out correctly, and let's say the name of the individual may have been a farm - a limited farm - and an individual's name was put on the application form, the procedure of the court would allow the judge to correct that application and prevent and basically allow the application to proceed, if it is allowed, his procedure in the court would allow it, and this would allow those kinds of changes to be made, so that not to force somebody to start an application all over if there are some minor errors or omissions in terms of what is allowed under the rules of the court. Those are the kinds of procedural matters. It is not matters dealing with the substance of the actual applications that are there.

MADAM SPEAKER: The Honourable Member for Virten.

MR. G. FINDLAY: Thank you, Madam Speaker.
Just a quick question here for clarification. Last night, in the amendment that was moved on 13(9)(c), it started

by the word "grant such other procedural relief". Today, the amendment is "issue such other procedural relief". Any reason why we changed the word from "grant" to "issue?"

HON. B. URUSKI: No, Madam Speaker, it is just a grammatical word that is used there. There is no difference in terms of intent.

MADAM SPEAKER: Shall the bill as amended be concurred in? Agreed? Opposed?

MR. G. MERCIER: Madam Speaker, what was that question?

MADAM SPEAKER: Shall the bill, as amended, be concurred in?

MR. G. MERCIER: To go on to third reading?

MADAM SPEAKER: Right.
Agreed? Agreed and so ordered.
The Honourable Government House Leader.

THIRD READING

BILL NO. 53 - THE LEGISLATIVE ASSEMBLY ACT

HON. J. COWAN presented, by leave, Bill 53, An Act to amend The Legislative Assembly Act for Third Reading.

MOTION presented and carried.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, for the record please indicate that that bill was passed unanimously by the House as well.

MADAM SPEAKER: Agreed? (Agreed) Agreed and so ordered.

BILL 34 - THE CONSTITUTIONAL QUESTIONS ACT

HON. J. COWAN presented, by leave, Bill No. 34, The Constitutional Questions Act, for Third Reading.

MOTION presented and carried.

BILL NO. 4 - THE FAMILY FARM PROTECTION ACT

HON. J. COWAN presented, by leave, Bill No. 4, The Family Farm Protection Act, for Third Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Member for Ste. Rose.

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

I rise to speak to this bill with a very heavy heart. When I was elected to this Legislature, Madam Speaker, I felt that we came here to provide the best possible legislation and the most practical and useful legislation regardless of our ideologies, regardless of our pride, regardless of our hangups to provide the kind of legislation that this province needed, in this case the kind of legislation that we feel the farmers of this province needed.

All you have to do is look around this Chamber, Madam Speaker, and you can see that there is a preponderance of rural support on this side of the House.

We have tried every means at our disposal to try and convince the members opposite that something has to be done with Bill 4. The Minister has accused us of waiting for an unseemingly period of time before we began to debate this bill. He used the word "unseemingly" or words to that effect in a very degrading manner to imply that we didn't have the guts to stand up and speak on this bill. The guts are on this side because we got the guts to stand up and say what is wrong for this province. We are not going to be impaled on the ideology of those who feel that they have to make great thunder in order to back up some rather unwise statements that were made in order to gain favour on the hustings.

It's always been said by the members opposite, and by the Minister of Agriculture particularly, that we've got to have legislation with teeth. You can liken it to a watchdog. Yes, he should bark; he should have teeth; but he's not a heck of a lot of good if he bites his master.

Madam Speaker, we have been reasonable. We have tried quiet diplomacy. Our critic has engaged, I have engaged, many members on this side have engaged members opposite and the Minister of Agriculture to try and arrive at some understanding regarding the clauses that are in this bill. We made it perfectly clear that the moratorium clause was something that we could not and would not accept and it would be damaging to the agricultural finances of this province.

(Mr. Acting Deputy Speaker, M. Dolin, in the Chair.)

There were certain aspects of the bill that we felt would be useful and that would provide a conduit whereby the lender and the borrower could arrive at a mutually satisfactory arrangement vis-a-vis their potential problems. But, Mr. Deputy Speaker, this has simply gone by the members opposite and particularly by the Minister of Agriculture.

Mr. Deputy Speaker, I see that you have the good grace to finally remove the button when you assumed the position of the Chair of this House. That's precisely why I have become incensed since I came to this House. I came in here a quiet mannered, kindly country boy, wanting to . . .

MR. ACTING DEPUTY SPEAKER: I would suggest to the quiet, kindly country boy, that you are reflecting on the Chair no matter who is sitting in the Chair and that is inappropriate. I would also suggest that you not reflect on the Chair.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. G. CUMMINGS: It does not matter to me if the member is sitting in the Chair or in his seat. If he proposes himself to be an ideologue who will bring conflict and partisan labour conflict into this House, then I say that the time has come for the members on both sides of the House to stand up and be counted where there are, standing for the rights and needs of agriculture and all the voters of this province.

Mr. Deputy Speaker, every presentation that has been made during Agricultural Estimates and Agricultural Committee, particularly in the Agricultural Committee where we talked about Bill 4, we have tried a reasonable approach. We have tried very hard to put forward what we felt was needed and what would be good for the farmers of this province.

The Bankers Association, the credit union, yes, the Keystone Producers, Pool Elevators and United Grain brought forward concerns of varying degrees about Bill 4, and I really felt that we would see some compromise come from the government. I really thought that what we were going to see was a realization that the farmers of this province surely should know what is good for their own businesses, because by and large the majority were represented in committee. The majority came forward through those representations, the majority voice was heard, but it was obviously not heard by the Minister. It was not heard and he smiles and he laughs. It was not heard when it was needed to be heard.

We had lots of leadership when we were on the hustings, but when it comes time to make the hard decisions that are needed to be made, ideology has come between the ability to clearly think what is needed for the agricultural community of this province.

The government has not been willing to address the problems that have been delineated in relationship to this bill. Particularly, we have to zero in on the moratorium aspect of the bill. It was clearly delineated by those who will be responsible for making deals with the farmers, from hereon out, that there will be in effect on the equity level that will be required. We know that that is one form of withdrawal from agricultural finance that cannot very easily be delineated, but nevertheless the effect will be very real. We know that there will be higher loan costs, but the problem is those who will face the higher loan costs may very well be the ones that this bill seeks to give some relief to. Those who are becoming in questionable financial situations are the ones who will receive the additional screening, the additional concerns from the financial institutions of this province. You know, there might even be some people who would reasonably say, okay, then they can be protected by other means. So what might those other means be? Those other means might very well be that the government who wishes to impose this kind of legislation would also then move to provide some relief for those that they are putting at some risk.

In fact, it has always been my opinion that all members of the agricultural community will pay for that additional risk. The reason that I am now putting forward the statement I just did was because of the additional facts that were brought forward in the agricultural committee, where the lending institutions indicated that the very people that we seek to help may be the ones that we will eventually damage, because those who are a good risk, those who are a good risk may very well receive additional competition between the lending institutions

for their business. That was clearly pointed out, and I think it's something that we should take into serious consideration.

The concerns that really have driven me to become much more partisan in my feelings about this type of legislation and about the type of legislation that we've seen, are the facts that the government seems to be unwilling to fill in those gaps, those gaps which may be created for the good risks and the gaps which will most certainly be created for those who are in a more shaky financial position. These people will need additional cash flow. They will need additional support. Where is that support going to come from?

Now it can be argued long and hard that support has to come from a higher level of government than here, but we have a responsibility. The legislators of this province have a responsibility. We have to recognize our limitations. We know the limitations. The problem is the government and the Opposition don't agree on what the limitations are. They don't have the same priorities. We are prepared to say that the priorities of this province should be higher in regard to agriculture than they have been, and particularly in backing the farmers of this province in a difficult financial time.

I challenge this government, Mr. Deputy Speaker, I challenge them to reconsider one last time, because this bill undoubtedly will pass this Chamber tonight because of their majority. They were clearly told by every presenter at the agricultural committee that if it's passed and not declared, the effect will be virtually the same as if it were declared.

So what we have is an achievement of a political goal, an achievement of a political goal whereby the government can say, look what we did. We passed The Family Farm Protection Act, and yet they turn to the rest of the farmers who express concerns and they say, "but we didn't pass it so it doesn't count". They tell us we can't have it both ways. That's what they're trying to do and that's what they will try to achieve by what I suspect will be a very cynical action on the part of this government.

Mr. Deputy Speaker, the Minister and this government will undoubtedly have to bear the results of the actions that will result from this legislation. When farmers phone me, as a few have lately, and talk about their financial problems, I'm going to tell them that the Government of the Day has failed them.

The future of agricultural finance in this province is going to be warped by the actions of this government in the next few minutes or few hours. I beseech them to consider carefully what they are doing, because, as I said earlier in my comments, there is a genuine large group of agricultural people who are represented by this side of the House, who are concerned about the effects of this bill and particularly the moratorium section, they will long remember the actions that are about to be taken here.

MR. ACTING DEPUTY SPEAKER: The Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Mr. Deputy Speaker.

I rise to speak to this bill with considerable concern for the farmers of Manitoba, for the average Manitoban, for the people not only on the farms of Manitoba, but

for all Manitobans. Mr. Deputy Speaker, as I speak to this bill, I do so with considerable disgust and I guess frustration in that we could not, in all our efforts and with the efforts of people who have come before the committee, convince this Minister of Agriculture to see the light and to withdraw the portions of Bill No. 4, which are going to do a tremendous amount of harm to the farmers of this province.

My colleague, the Member for Ste. Rose, said there's a preponderance of agricultural people on this side of the bench. Mr. Deputy Speaker, there's also a preponderance of urban members who are equally concerned about the effects that this bill is going to have, not only on the farmers of Manitoba but on all Manitobans.

Mr. Deputy Speaker, when the Minister introduced this bill to the House, and as we listened to his comments, we soon learned that there were some pitfalls in the bill, but as a new member to this House, I was quite at ease in that I felt that through discussion and through negotiation and knowing this Minister from some time before, that something can be worked out so that the bill would in fact be palatable to us and also to the people of Manitoba, but that has not happened. Very quickly, we learned as the Session progressed that this Minister was not the type of person who I thought he was in terms of being a person who was willing to negotiate and to listen to reason and listen to the people of Manitoba, and perhaps move to a position which was in fact a practical one and was one which would actually help Manitobans.

A MEMBER: His own political hide comes first.

MR. L. DERKACH: And yes, my colleague tells me that we were told about it. It's true that we were as new members told about the attitude, the pig-headedness, if you like, of the members on the other side of the bench. We wanted, I guess, to experience it for ourselves and, Mr. Deputy Speaker, we have. We have learned a lesson. It is with regret because negotiations in the future we know are going to be much more difficult. This bill, Mr. Deputy Speaker, is called The Family Farm Protection Act.

A MEMBER: Cynical.

MR. L. DERKACH: It is a cynical name. It should be called The Family Farm Destruction Act as has been pointed out many, many times. Because, Mr. Deputy Speaker, whether this Minister is prepared to admit or not, this bill is going to destroy many farm families across this province, simply by the fact that after this bill is passed and proclaimed, we are all, all of us who borrow money to keep our farms going, are going to pay a higher cost to keep our farms going as a result of this bill.

What can farm families expect from this administration and this particular Minister? We have seen the farm dilemma. It didn't just start yesterday or when this Session started. It has been in a developmental stage for a long time and it is progressively getting worse. What has this government done to date to assist the farmers of this province? Why haven't they been able to take a look at what

neighbouring provinces have done for their farmers, at how they have been able to assist these farmers through a period of history which is very difficult in the farm economic scene.

It just shows that this administration has no creativity. It is not willing to take the examples, the good examples from other provinces. Instead, it tries to reinvent the wheel every time, and that was only exemplified by the introduction of Bill No. 4 and by them bulldogging this bill through the House, when in fact there is a bill in place at the present time, a federal bill, which can take care of many of the concerns which farmers have out in this province.

When we take a look at the millions and millions of dollars that have been squandered by this government through enterprises like Flyer Industries, Manfor, MTX most recently. If those monies could have been taken and spent on the farm families of this province, then we would not be in the situation that we are today. But this government does not wish to support the farm families of this province, it has become very obvious. The Minister of Agriculture obviously does not have any influence on his Cabinet colleagues because he has not been able to bring about a bill which is in fact going to be of benefit to the farmers of this province.

All we have heard from this Minister, all we have heard from the government is that the Federal Government is responsible for the dilemma. The Federal Government is responsible for getting the farmers out of this dilemma and that all they are is onlookers. That's all they have ever been, is onlookers.

What about the moratorium aspect of this bill? Presentation after presentation has been made to this government and to this Minister with regard to the devastating effects of the moratorium aspect of this bill. I can't understand for the life of me any reasonable person, any reasonable administration, should be able to see that when the majority of people who have made presentations to you have told you that the moratorium aspect of this bill is a devastating one, then you should have the courage, you should have the dignity to withdraw that piece of legislation, which is going to be harmful. But that has not happened, that has not happened. I suspect that the reason that has not happened is because . . .

MR. ACTING DEPUTY SPEAKER: Could we have some order please. The Chair is not amused. Could we have some order please, the Member for Pembina particularly. I can hear the Member for Pembina very clearly. Is the Member for Pembina challenging the authority of the Chair? I distinctly heard the Member for Pembina. I am asking for order. Your colleague had the floor. I would recognize the Member for Roblin-Russell. I would appreciate if you would give him the attention he deserves.

The Member for Roblin-Russell.

MR. E. CONNERY: How about the Minister of Health? He was yapping all the time.

MR. ACTING DEPUTY SPEAKER: The Member for Roblin-Russell has the floor.

MR. E. CONNERY: Which part? I don't see any . . .

MR. ACTING DEPUTY SPEAKER: Order please. I am calling for order in the House at large. I do not appreciate the Chair being reflected upon. No matter who stands in this Chair, I think the respect that the Chair deserves is in order. The Member for Roblin-Russell has the floor. I would appreciate if he got the respect that he deserves.

The Member for Roblin-Russell. The Member for Roblin-Russell please.

MR. E. CONNERY: Look at how he sits in the Chair, shirt wide open, tie undone. How do you expect to respect the Chair when he won't even respect himself.

MR. L. DERKACH: Mr. Deputy Speaker, I'll try to continue with my speech after I was interrupted.

I was talking about the moratorium aspect of this bill, Mr. Deputy Speaker. I was indicating that there is certainly something wrong when a majority of people who have made presentations to the Minister have not been able to convince him that this is a devastating piece of legislation; this is a devastating piece of that bill, and that it should be removed. To date, the Minister has tried to wiggle his way out of it but he can't, because he's got a Premier, who during the election campaign, had made a tremendous promise about putting a moratorium on farm debt.

A MEMBER: He's trying to squirm his way out.

MR. L. DERKACH: He's in a Catch-22.

But I believe that farmers in this province, that people in this province would have a lot more respect for this Minister of Agriculture and for this administration if he had the courage to say that the moratorium aspect of this bill is not one that is going to be helpful to the people of Manitoba and to the farmers especially of Manitoba, and if he would in dignity, withdraw it.

I guess this is the last time before we vote on this bill, Mr. Deputy Speaker, that I, as a member from a rural area, as a farmer, can get up and voice my opposition to this bill. I only feel concern for those people who've made presentations, for the farmers of Manitoba, who are going to be adversely affected by this bill. I hope that before we vote on this bill, that this Minister can reconsider the effects and can get up in dignity and withdraw this bill from the House.

Thank you very much, Mr. Deputy Speaker.

MR. ACTING DEPUTY SPEAKER: The Member for Lac du Bonnet.

MR. C. BAKER: Thank you, Mr. Deputy Speaker.

Firstly, Mr. Deputy Speaker, let me get back to the beginning of this Session, because as I mentioned a couple of days ago when I spoke in this confrontational kind of a Chamber, it's difficult for us municipal officials to get used to it. However, after four months, I suppose if I didn't get used to it I'd better tolerate it. But, Mr. Deputy Speaker, I asked a few years ago what that Mace meant, when the gentleman so dignified, marches up and down and carries it. I was told, and I don't even know by whom anymore, but I was told that it represents the fact that we are living in a democracy, and that Mace represents the clubs or the weapons with which

we used to settle disputes before democracy was instituted. Today they have polished this thing up and they put all of the weapons on the table like we used to. But, Mr. Deputy Speaker, the fact that we have freedom of speech in this Chamber, leaves us with a lot of responsibility, because we all know that words can hurt as much as any weapon ever could. Words can destroy character, they can hurt terribly and they can hurt for a long time. I was very disappointed when I first entered this Chamber and I thought we had a weak system but, a couple of weeks ago or a week ago when our colleague, the Member for Transcona, was vindicated, I thought it wasn't a weakness, that it was actually a strength. I very much appreciated the fact that he could get vindicated under the circumstances -(Interjection)- I will get around to that.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. ACTING DEPUTY SPEAKER: Order please.
The Member for Lac du Bonnet.

MR. C. BAKER: I would ask the Member for Portage la Prairie to extend to me the same dignity that I extended to him. I never interrupted any member on that side when he spoke. I think I deserve the same courtesy.

I want to say too that members opposite feel very sure of themselves. I wish I could feel that sure of myself, because anything we do in this House is open to doubt. We don't know whether it will work or it won't, but the fact is we can't sit back and do nothing. But I mentioned that the members opposite feel so confident and so sure of themselves, and they really shouldn't, because let's take a look at the world situation today.

You have a Conservative Government in Canada. You have a Conservative Government in the United States. You have a Conservative Government in Great Britain, West Germany. We're at a stage where we've got more bankruptcies, more people going broke than ever before in history. So, you people are supposed to stand for free enterprise. Wouldn't you think that, when you stand for free enterprise, there should be more free enterprise rather than less?

What do you have? You have a Minister introducing in Canada a bill to get rid of farmers, rather than to make more farmers. I thought you stood for free enterprise. Gentlemen opposite, let us be fair. This is nothing compared to what the 25 percent lowering of the price of grain will do, nothing. Don't try to take the shadow away from your federal politicians, because they are the ones who are supposed to act. You don't have the American President going to the States and saying, we will give you help if you chip in. Tell me one state that did that -(Interjection)- pardon?

Mr. Deputy Speaker, I want to say to my friends opposite that this side has done more to stop the march of Communism than any Conservative Government ever did. As a matter of fact, if you want to go back far enough, you show me one single social democratic country that turned Communist. Show me one.

I want to say to you that some of my ancestors had to run from Russia when the Communists took over. They had to run -(Interjection)- bring it here. I told you before that this side has done more - look, maybe I

could put it to you like this. Social democracy is the anti-communist. It's like a penicillin. If you inject that into - sorry.

MR. ACTING DEPUTY SPEAKER: Order please. I'd like to remind the member of Rule 30, which says the discussion should be under the item that's relevant. We are discussing Bill 4. I note his discussion has rambled a bit further than it should.

The Member for Lac du Bonnet.

MR. C. BAKER: Mr. Deputy Speaker, I am only responding to some heckling from the other side, and I will finish this one anecdote and then I will drop and get on to Bill 4 -(Interjection)- if you fellows will let me -(Interjection)- I will. I didn't introduce Communism into this debate. He did. Like I said, we are the penicillin to stop Communism. You are the virus that causes Communism.

Now, let's talk about Bill 4, okay. I want to say to you that I'm not as sure as you guys are that Bill 4's good. You are very sure that it's bad. Fine, you're really sure it's bad, but I'm not that sure it's good. But what I've said, what we have done is we have tried to reassure the bankers, the Opposition by saying, look, the moratorium is what you object to. You feel that it'll cause fear in the lending institutions, and they are going to withdraw from farm credit. Yet, one of the bankers said that it might even lower the interest rate for some farmers. Didn't he? He said, it might even lower interest rates for some farmers. One of the bankers did. I can get the transcript for you, okay. So, they're not even sure of what they're talking about, okay.

But the point I want to make with you fellows opposite and ladies, I'm sorry, is that, before the moratorium will be instituted, you will have a chance to come back to this Chamber. There will be hearings. The same people that were here now will come back again, and that decision will be made at that particular time -(Interjection)- well, I'm sorry. I can assure you that decision won't be made first. I can assure you that we will live up to that obligation.

I suppose, we're going to have to wait and wait and wait, and I hope we wait a long time, because I hope we never have to use that moratorium. It is no good if it's not needed but, if it's needed, we have it there -(Interjection)- you see, I'm supposed to stick to Bill 4, but they can make any kind of interjections from all directions.

A MEMBER: At least, we're staying in the Legislature.

MR. C. BAKER: Yes, you're staying in the Legislature, right.

Mr. Deputy Speaker, I just want to end the few words that I've said about Bill 4 and other things, but I just want to end by saying that throughout the last month when we were debating farm issues, as one gentleman has said, there were very many urban people from that side of the House who expressed sympathy and acknowledged that we really have a farm problem. There were many members on this side of the House who represent urban constituencies who likewise said we had a farm problem -(Interjection)- well, I'm sorry if you didn't hear. You've got to read some of the speeches.

All I say is that I want to extend to all of you urban members who expressed sympathy for the farm problem, that you have the agricultural community's heart-warmed thanks, because we're happy that so many urban people are today realizing that there is a farm problem. With that, Mr. Deputy Speaker, so long as there's a will amongst the people, urban and rural to deal with the problem, I am sure it will be dealt with.

But let's get down to the basic problem in agriculture. It's a lack of cash, right? It's a lack of cash. So, before we leave this Legislature, let's pass a resolution along the lines of what the Premier of Saskatchewan has asked for, and we'll support it unanimously. When I say to you that, if the Premier of Saskatchewan can fed-bash, trying to get more money, then it's justified in this Chamber as well.

Thank you very much, Mr. Deputy Speaker.

MADAM SPEAKER: The Honourable Member for Turtle Mountain.

MR. D. ROCAN: Thank you, Madam Speaker.

Madam Speaker, I rise to speak on the Third Reading of Bill 4 and I cannot say that I'm pleased.

Madam Speaker, I'm mad, and I'm mad as hell. I just don't understand the hypocrisy of some people, how they could even think of putting something forward. This arrogant government should be ashamed of itself, Madam Speaker. They've cast aspersions on the electorate by trying to deceive them, by false promises, phony statements, misleading information and, to make a bad situation worse, ridiculous cover-ups, depriving the citizens of Manitoba with full disclosure and all the things that an open government should provide the people. The clownery of this government to wilfully obstruct judicial inquiries and claim to be standing up for Manitoba is scandalous.

The hypocrisy of the First Minister is evident when the farm community is still waiting to hear him deliver on any of his campaign promises for assistance to the agricultural community. The smoke screen set up by the Minister of Agriculture is stupid. What has this government done to help the farmers? Saskatchewan has gone to their aid and so has Alberta, but this pig-headed government just wants to mislead the farmer into thinking that it's the Federal Government's fault. But how culpable do you think the farmers are?

He knows that we have to compete on the world markets; he is willing to accept \$3 wheat, but, Madam Speaker, when the union people are asking for a raise, even though they are already making \$36,000 a year, we say enough is enough. When does productivity become acceptable reality on which to base performance? Will this unscrupulous government stand up, not for Manitoba, but for what they are, an indecent, insincere, obscene group committed to their own narrow ideology, to the exclusion of - what do they call it - the average Manitoban.

Madam Speaker, I've sat in my chair and listened to members opposite stand up in their place and do nothing but fed-bash. Can they not stand on their own two feet, Madam Speaker? Do they not realize that farming is our No. 1 industry? The rest of the province revolves around this great industry of which I am a part, Madam Speaker, and I'm proud of it.

Madam Speaker, a farmer loves his land; he doesn't want to lose it, and he's married to it. Unless this government withdraws Bill 4, I honestly feel that it will ultimately result in tighter, more selective credit granting in the farm community. So on behalf of all the farmers, I beseech you to get your heads out of the sand and withdraw Bill No. 4.

Thank you.

MADAM SPEAKER: The Honourable Minister of Natural Resources.

HON. L. HARAPIAK: Thank you, Madam Speaker. I rise to speak in support of Bill 4.

Madam Speaker, I am proud to put myself on record as being in support of Bill 4, recognizing full well, as most people in this Chamber would, that were the agricultural situation different in Manitoba, there would be no need for Bill 4. We introduced Bill 4 to try to address the difficult situation the agricultural community is facing at this time.

I want to share my views with some members opposite because there is an element of agreement, as was indicated by the Member for Lac du Bonnet, that we can agree on certain things; and I want to point out, as was indicated by the Member for Roblin-Russell, agriculture is a concern, not only to the people on the land, but it is indeed a concern for all Manitobans.

If agriculture is going through some difficult times, perhaps then we have to take approaches that demand some courage, approaches that will receive criticism, and I for one am quite prepared to be criticized if that is what is necessary; and I accept the statements that were made by the banks and by the credit unions that they would rather not see this kind of interference, as they put it, in the marketplace.

But I am saying to the members opposite and to all people in this House, that farmers have relied for some time on the marketplace to provide them with a fair return. I ask the members opposite whether they can sincerely go out to the agricultural communities and say to the farmers on the land, the marketplace has given you a good deal, stay with the marketplace. If that is in fact the case, why have the Treasuries of the American Government seen necessary to intercede? Why have the Treasuries of the European Economic Community seen it necessary to intercede? Would the members opposite have the Canadian farmers, the farmers of Manitoba, hung out to dry in competition with the Federal Treasuries of other countries?

I am saying that what we need - and we agreed full well with all members of this House who would say that what we need is a better return to the farmers. The farmers need more cash, but is it reasonable to expect that this government, the Province of Manitoba, should proceed and try to implement in Manitoba a level of support that has been brought in by the Federal Treasuries in other countries? At the very time that there are some members opposite who would imply that, they would say, what are you doing about the deficit?

I, as one, would recognize full well that the Provincial Government does not have the capacity to inject the kind of cash that should be injected by the Federal Government into the agricultural community, and until

such time as there is that kind of a return to the agricultural community, I am prepared to run the risk of the criticism associated with this bill.

If we can at least take that one step, if we can take that one small step to demonstrate to the agricultural community that we are prepared to stand beside you, we are prepared to see that every farm family there is given a reasonable review, that is all that is being asked.

The critic for Agriculture, for the Opposition, says when it is over, it is over. I am not prepared to say that we should sacrifice the kinds of numbers in agriculture that he is suggesting. The moment that there is a financial problem, that we should just shunt them off the land and perhaps have them go through the transition program that the Federal Government is proposing to encourage them to leave the land, I for one believe that we should not encourage everyone to leave the land.

I will accept that there is going to be a certain element of failure in the industry of agriculture and that problem is brought about by the shortage of cash. So let not the members opposite suggest that when we are faced with a 20 percent to a 25 percent reduction in the price of grain, that the real problem faced by agriculture is the increase in cost that might be brought about by Bill 4. That is utter nonsense, let me tell you that.

I would go so far as to accept, though it was denied by the Bankers Association, that there would be an increase in the cost to agriculture, because when they were confronted, and yes, the credit unions as well, a member of which I am and I'm very proud of that association; but when we asked specifically for them to determine to what extent has your risk increased, to what extent does your increase tell us by what level you will increase your charges to the farmers because of Bill C-117, they said we can't really tell you. So we said, in turn, then tell us what are your projections about Bill 4. They said we can't really tell you. We said, in turn, tell us what your projections are for the future prices of grain and what are the implications for the agricultural community. They said, we cannot really tell you, we can't quantify that.

That's precisely the point - we can't quantify absolutely the impact of this legislation. There is a lot of uncertainty out there. But I am prepared, as the rest of the members on this side are, to stand by the agricultural community and see that each farm family that is out there gets a fair review when that financial difficulty arises.

Let me, in closing, state that we should not assume that we have seen the worst in agriculture. I should tell you, in talking to Mr. McDonald from the Canadian Bankers Association after the meeting the other evening, we talked about the decline in prices, and he said yes, that will be cushioned by the payments from the Western Grain Stabilization Program. True, it will be cushioned, but there is always a lag in agriculture and we know full well that the true impact of the reduced prices in grain will be felt in the years to come and the crisis, if we do not have a full appreciation of the crisis now, it'll be realized in future years.

So I am proud to stand with the farmers and with Bill 4.

MADAM SPEAKER: The Honourable Member for Gladstone.

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

Well, like the Minister of Natural Resources, I'm proud to stand here, but I'm not proud to agree with Bill 4. I am proud to oppose Bill 4.

He has told us this evening some of the things that are causing the problems in the farm community, but he has not reiterated one thing this evening that Bill 4 will do to help that, not one. It will only add to the uncertainty of this situation and we'll get no help for the things that he has stated from Bill 4.

Now I spoke to Bill 4 in Second Reading and after that I waited with some anticipation for the committee hearings and the presentations that would probably come forth to tell us what the community outside this building, where the real world is and where the real people are, what they would think of the bill. I was appalled, after I had listened for an entire evening and for yesterday morning to the things the people said that were presenting their opinions, that the Minister did not immediately say, well, we have goofed, we have made a mistake, we will withdraw this bill, when he had heard what those people had to say.

There were requests from most of the people to withdraw the moratorium part of the bill. There were a few people, or there was one, rather, he almost supported the government, but he couldn't go all the way. Even he, although he agreed with the moratorium, he disagreed with many other parts of the bill. So the Minister, in presenting this bill before this House and claiming it to be the saviour of agriculture, did not really have one person come before the committee on agriculture to support this bill. I expected there would be someone who would come just for old time's sake, knowing the Minister or something like that, to say that they really thought this was a great idea.

No one in my constituency has phoned me or talked to me on the street or talked to me anywhere to tell me that this was a good bill. Most of the people who spoke to the bill spoke against the moratorium, but we have been telling the Minister this all along. Our Agriculture critic has told them, others have told them, but they apparently will not listen.

One of the briefs that was put forward remarked, and it was the brief from the Western Fertilizer and Chemical Dealers Association, said that this type of legislation is a simple matter of changing the rules in the middle of the game through government intervention.

Another line from the Cattle Producers' Association said, "Under these rules, who in their right mind would loan money to agriculture?" And still the Minister ignores this type of thing from people who are in the business who know.

One thing that struck me about the people who came to present at the committee hearing was not only that they were willing to come and to criticize the bill and to say what they didn't like about it; they also were there to give some constructive criticism, to suggest that they would sit down with the Minister, they would help him to formulate something that would help the farm community. They suggested that the Minister should forget about this bill, withdraw it now, keep it on the shelf - hopefully gathering dust I would say - and allow the federal bill a chance to prove itself. Some of them suggested six months, some suggested a year. I think probably a year would be a better thing. It's

hard to judge the effect of something in six months. But the Minister wasn't pleased to hear this. He didn't pay any attention. He didn't think that any of these ideas had any merit.

And I wonder, Madam Speaker, why the Minister is so stubborn about this. I know if I were the Minister and had brought in this bill, I would be disappointed that it got such a . . .

A MEMBER: Pounding.

MRS. C. OLESON: Well, a "pounding," as you say, and such dissent among the people that it was designed to serve. But I think his embarrassment is a small price to pay for the effect that this bill will have.

Perhaps he was defending the Premier who promised this during the election. I think if the Premier hasn't been embarrassed enough about things in the last while, it wouldn't hurt him to be embarrassed once more. He should set aside his personal pride, he and the First Minister, and let sense prevail and pull this bill.

The Budget Debate, Madam Speaker, referred to a number of things, of course. One of them was Farm Aid, another was Farm Start. Earlier, way back when, during the Session, we were asked to vote on Interim Supply - I believe that's what it was - there were several programs listed that had to be voted on immediately. We had to have the money that very day, that very moment. But on questioning the Minister on the Farm Aid and the Farm Start Program and questioning the Minister on other things, we discovered that they had no program for Farm Aid. They didn't have anything concrete. They couldn't possibly use the money immediately because they didn't have anything planned.

Well, we haven't heard about that program I don't think since that debate. We haven't heard anything about it. It hasn't seen the light of day. We don't know what the Farm Aid Program is going to do. But this bill still proceeds and they still keep promising that they are doing something for agriculture.

I have a suspicion, Madam Speaker, that they are putting this bill in to try to convince the people who are non-rural, non-farm community, that they really are interested in what the farm people are doing and somehow give them an impression that they care about everyone in the province and understand all the problems. But I think it's an ill-fated idea.

The bill, Madam Speaker, had many, many amendments - 11 pages, I think - and then we had another amendment today. It still is not a good bill even with all those amendments. It still gives a great deal of power to the judges. It still is a little unclear as to exactly what judge is to do. It will be up to the judge in many cases as, it says, the judge seems appropriate. Well, that rather is an open statement. What may be appropriate to one judge will not be appropriate to another. So it rather concerns me that this sort of thing gets put in a bill with a loose sort of an arrangement.

After all these amendments, Madam Speaker, we still have a moratorium hanging over our heads, even after the amendment that said the moratorium would lapse in three years is still there for that three years hanging over the head of every farmer who negotiates with his lending institution his operating loan or other loans to operate his farm.

So, Madam Speaker, having said that, I will say that this bill is not worthy of support. It has no business to be in this House at this time. It is a feeble attempt to feign an understanding and a real concern and appreciation of the problems of agriculture. We just heard the Minister of Natural Resources enforce that by listing what the problems were, but never saying what this bill was going to do to address them, not one thing.

So I cannot support this bill. It will not be in the best interests of the people in my constituency and it is not worth the paper it's written on. I will not be a party to creating more problems for the farm community by adding further to the burden that they already have, and I, as I said, Madam Speaker, will not be supporting this bill.

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Madam Speaker.

I have spoken on this bill in Second Reading and I opposed it in principle and laid out what I thought were sound reasons for opposing it. I spoke in committee last night and laid out again reasons for opposing it, that time based on the kind of presentation by the farm community to the bill which told this Minister how wrong he was. I speak today again, trying to convince this Minister and, more importantly, some of his non-agricultural colleagues how bad this bill is.

I think, Madam Speaker, nothing can be more definite as to how bad this bill is than to listen to the Member for Lac du Bonnet tonight who said that, you know, I don't think this bill is perfect but, you know, I'm going to support it anyway. He knows the kinds of problems this bill is going to present to the farm community but he's forced by caucus solidarity to support it. He's the only genuine farmer you've got over there and he's got reservations and you should at least be listening to him.

Madam Speaker, I said at Second Reading that I was going to give my farmers, as their credit was cut off because of the passage of Bill 4, I was going to give them the Member for Lac du Bonnet's phone number, but I've changed now. I'm giving them the phone number of the Minister of Natural Resources because I want him to explain to farmers in Manitoba, as a result of his legislation, when their credit is cut off how, No. 1, he justifies his unqualified support for this bill which is bad for the farm community; and No. 2, how his government has failed, and failed miserably, to even come close to what Saskatchewan and Alberta have done to support their farm community.

While this Minister of Natural Resources has watched his department fritter away money, he has sat mute in silence and allowed this bill to be passed and he has allowed his Minister of Agriculture to do nothing for the farm community in terms of support to the farm community and to the grain farmers in the Province of Manitoba.

Madam Speaker, I simply want to tell my honourable friends opposite that I can appreciate where you do not understand what this bill will do because I doubt if there's more than a handful of you who have ever gone to your banker and talked about your year's

operating loan and what you have to do, the kind of security, the kind of risk that's involved in setting up that operating loan. Not a handful across the way out of that government has ever had to do that and talk about machinery loans and talk about long-term loans on land with your financial institutions. Only a handful have ever had to develop a cash-flow statement.

Yet that group over there, without the understanding of the farm community and the way they're - (Interjection)- well, now, my honourable friend, the Member for Gimli, says I'm so smart. I want to tell him I'm a heck of a lot smarter about what's required to keep a farm operating than himself because I doubt if he's ever even shovelled a bushel of grain in his life. Yet he is part of a Cabinet that is supporting legislation that's going to deny credit to his constituents and he's proud of it.

Madam Speaker, I understand that you would never have knowledge of operating loans and negotiating with bankers because you haven't done it, but why can't you use your common sense that you were theoretically elected with and listen to the credit unions, the chartered banks, the farm organizations that were before committee telling you that this is not good legislation? It's not just us that are saying it; it is the farmers themselves. That's why we've been speaking against this bill, because we know what the farmers have to do when they go to their financial institutions to arrange next year's credit and we know the harmful impact this bill will be.

Madam Speaker, if you want to be blunt about it, this bill is probably a very excellent piece of legislation for the financial institutions in this province because they don't have to make anymore tough decisions on the very border-line case of farmers who are very, very touch-and-go as to whether the banks will continue to support them. Now the banks have a piece of legislation that make that decision automatic for them. Thanks to this Minister of Agriculture and the members of his government, they have made the bank's job and the credit union's job easier on when they decide to no longer extend credit. That's what will happen. This New Democratic Party that sets the banks up as the bearers of all evil in the Canadian economy have just probably proved themselves to be one of the best political friends that the banks have ever had because they've made their decision easier.

Madam Speaker, -(Interjection)- that's right; my colleague from Brandon West says stand up for the bankers, and that's what the New Democratic Party is doing with this bill because they are certainly not standing up for the farmers in the Province of Manitoba, and I can speak as one and on behalf of the farmers in my constituency.

This bill will not help them and it is not only, as I said before, us that have said it in the Progressive Conservative Party in Opposition; it is our colleague, the Leader of the Liberal Party, and it is every single presenter of briefs before the committee and many of those people representing literally hundreds and thousands of farmers. They did not support this legislation.

Madam Speaker, what this Minister should do, and I appreciate why he can't do it because he cannot afford to lose his third major piece of legislation. I've said that last night: three times and you're out in this game.

And this Minister, even though he rams this legislation through, is still out in the eyes of the farm community.

What the Minister should do is simply leave this legislation, don't pass it tonight, drop it. Drop it tonight and let the Federal legislation work for a year, let it work for two years. Then, if you think, in your perverse way, that you need to have your moratorium and you need to have your intervention and you need to have your interference in the normal credit arrangements between farmers and their lending institutions, then bring it back and we'll debate the merit of it then. It may have more merit then, I doubt it, but it does not enjoy the merit of the farm community to be passed tonight, Madam Speaker.

MADAM SPEAKER: The Honourable Minister of Municipal Affairs.

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

I am pleased to be able to say a few words on Bill 4 and comment on the near-hysteria that has overtaken the Opposition.

I've listened very closely to the briefs that were presented to the committee and I've listened to the debates -(Interjection)- yes, I did understand it; very much so.

I find the Member for Pembina's comments to be of interest. It appears that unless you are a full-time bona fide farmer, then you have no understanding of what it's all about. Well, my friend, I happen to represent a rural community and it was farmers that helped elect me. I can tell the Member for Pembina and the members opposite that I don't have to listen to, in the member's opinion, banking associations. They didn't elect me. But the farmers of Manitoba who knew that the farm protection bill was part of our platform, they voted in support of me as a candidate on this side of the House as the Government of Manitoba.

I find it incredible that when you announce a platform that you are chastised for fulfilling your promise. Now that's unlike the Tories who promised \$350 million worth of promises and then have the audacity to talk about deficits, government spending, but the sky was the limit for the Opposition. But, of course, they don't believe in keeping their promises; that's the problem.

Well, it may well be that some members feel that they have to be guided by the banking association, but I can assure everyone there that the banking association didn't help elect one single member in this House and we are not beholden to them, and the records are public.

You know, I don't understand it. The Member for Sturgeon Creek says, I have talked to more farmers than anybody on this side of the House. Well, that is great. I live amongst the farmers every day and a good number of us do. I can tell you that over the past number of years I have seen more and more farm constituents, good farmers, who are facing a very, very difficult time through conditions for which they have no responsibility. I know what the problem is.

The Opposition wants to set up this straw man of a moratorium issue, because they know that they are being let down miserably by their federal counterparts. I want to tell you that your federal counterparts helped elect me this spring, because so many of my constituents felt betrayed, and they're feeling more and more betrayed every day.

It's so interesting to hear members opposite say, well, if you really feel strongly about the farm community, why don't you get out there and help them? It's rather interesting. The Federal Government's really helping them. When it comes to loans, the Farm Credit Corporation last year loaned out 22.9 million more than it took in. This year, it took in 33.8 million more than it loaned out. That's a nice direction to go in for a loss of \$10.9 million in the last two years.

What has Manitoba done? Well, I'll tell you what they've done. They have done something like \$16.2 million last year, \$11.3 million this year in net. So while the Federal Government has cut back \$11 million, Manitoba's gone up \$27 million - there's a gap of \$38 million - who is supporting the farmers of Manitoba?

They say, do something for the farmers of Manitoba. I don't know where they've been for the past five years. Oh, I know where they have been. You see, it's rather interesting. I read the rural newspapers and if the Manitoba Government does something good, they run around and they say well it was because of us, because we put on pressure on the government. So if it's a good program, they take the credit. But because the province cannot do something, then you dump all over the province.

But there has been so much done, as has been said time and time again - the people in Manitoba know it - more done by this government than has been done by any previous government in the history of Manitoba. We talked about provision of long-term credit to the farmers, \$30 to \$40 million a year. Interest Rate Relief, that was to deal with the problem - and I don't know where the Opposition was on that problem - I remember the former Minister of Finance liked high interest rates, but I know what this government did in 1982-1983. It helped out about 1,200 producers by providing something like \$11 million in assistance.

What did they do to the cattle industry? I remember in 1980-81, when the cattle industry was in a tailspin and the former Minister of Agriculture sat on his duff, did nothing. But what did this government do? Oh, we've now put in - what is it - \$40 million, \$45, \$50 million? Well, of course, clearly the Opposition doesn't understand what insurance is about, do they? You don't understand what insurance is about. We provided guaranteed operating loans.

Two or three years ago when the farmers in Manitoba were facing high interest rates, our Minister of Agriculture called on the Federal Government to reduce the rates. What did the Federal Government do? Zero. What did we do? We put our money where our mouth was, down to 8 percent in '84, in '85. You see, Manitobans know what this government has been doing. I know that Manitobans will appreciate what the Government of Manitoba is attempting to do through Bill 4.

We all agree there is a cash flow problem. And where is the Federal Government on this issue? Where is the assistance? I guess we shouldn't be surprised, for some of the younger members here - and I guess I mean it chronologically - in the late 1960's, there was the Targets for Economic Development Report, the TAD Report. Remember what it said? It said - what? - two out of three farmers have to go. Well, maybe it wasn't the Manitoba Government that's doing it. The feds are doing it now, 15 years later, but they're still going to achieve their goals because if they don't help, that will

happen unless there is something such as Bill 4 to prevent that from happening -(Interjection)- no, I didn't miss the boat.

Members were at the committee hearings two nights ago when the representative of the Canadian Bankers Association was asked about the impact on deposits and the \$4 billion Dome Petroleum bailout. What did he say? Oh, that has no reflection because we work at a - what was it - profit centre. Manitoba is a profit centre. I'm saying that the bankers never provided us with answers.

But I'm going to make one final comment which is rather interesting. Saskatchewan has had this type of legislation, and where are the banks? Are they screaming? Have they been screaming? Or is it perhaps not proper for them to say anything about Saskatchewan legislation because they have a P.C. Government? There is a difference.

I don't think Manitobans are being fooled. For five or six weeks, no comment in this House on Bill 4 because they couldn't develop a strategy. Now they know what the situation is. More and more Manitobans are disenchanted, so let's deal with a non-issue. Let's deal with the moratorium issue -(Interjection)- what's that? Oh, yes.

Well, times I'm sure, are going to be much more difficult over the next number of years, and I think this legislation will be very welcome. So, I commend the Minister of Agriculture for pushing through on this bill.

MADAM SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Thank you, Madam Speaker.

I have been in this House for several years now, and I've really for the first time tonight had something come from the Minister of Municipal Affairs or have received some information from him that I'm sure none of us knew before, and that is that he represents a farm community. It's the first time he's acknowledged that he has any farmers in his constituency in the entire time that he's been in this Legislative Assembly.

Madam Speaker, I want to conclude my remarks in the Legislature on Bill 4, and I want to do it along the same vein as which I spoke on Second Reading of Bill 4, but there are a couple of points that have to be made.

The first point that one has to make is that I'm surprised at the banks and the financial organizations that have come in and opposed this bill. I'm surprised at them, because it is a bill to help the banks and help the financial institutions. What did we hear the other night? They're going to put their interest rates up and they're going to eliminate some of the riskier loans. It is a bill -(Interjection)- that's a good question. Why are the banks fighting it? One really has to ask why the banks are fighting it?

It is alleviating some of the problems that they're facing. The work that they've been doing, Madam Speaker, the extra mile that they talk about going with, the work they're doing, that's over with for them, Madam Speaker. They don't have to deal with those risky businesses anymore. That's over with. So I am somewhat surprised and you bet, Madam Speaker, this bill will help banks. This is the friend of the bankers.

This Minister of Agriculture is doing exactly what he said we are doing. He is now in bed with the bankers. It is he who is adding to the profits of the multinational banks and the great Canadian banks, because they're able to put their interest rates up. They told us so, Madam Speaker, they told us so.

Madam Speaker, they're able to because of this legislation, to now drop a third. I'll tell it to the Royal Bank because it's the case I'm making and they said they'd be able to drop a third of their risky customers. So it is this Minister of Agriculture, it is this Premier, Madam Speaker, that is the friend of the banker. It is them who are in bed with the big banks because they're going to cushion, as they cushioned the big multinationals or the big chain stores by putting a minimum price on milk. They're doing the same thing with the banks, Madam Speaker. It is them, in reverse, who are helping the banks, Madam Speaker?

Madam Speaker, I want to read one paragraph from the credit union brief and I want the members opposite to take note. I compliment the credit union movement of Manitoba, in the way in which they went about getting their information. They did an excellent job. They had meetings throughout the province with their locals, with their managers. They had a major meeting in Brandon and asked several questions, but let's ask the question and let's put on the record, who is the credit union movement in Manitoba? And I'm going to read it to you.- (Interjection)- The former Minister of Finance, I believe, called them idiots, is that what he called them?

MR. H. ENNS: He called them bloodsuckers.

MR. J. DOWNEY: I'm sorry, I believe the former Minister of Finance called them "bloodsuckers." Madam Speaker, I want to read one paragraph so that the members of the government, particularly the Member for Lac du Bonnet, any member who is sensitive to the needs of people, I want them to listen carefully to this one paragraph:

"The credit union system of Manitoba is comprised of 97 credit unions. At the end of June of 1986, the credit union system had assets in excess of \$1.9 billion." That's a lot of money.

"The assets of our system are made up primarily of loans and cash on hand. The liabilities in our system are primarily made up of deposits entrusted to us by the various credit union members. The credit union system of Manitoba has approximately" - and listen to this figure - "300,000 members." That's who spoke in this brief, were 300,000 members, Madam Speaker, not 26 members or 25 members in Opposition; not a few farmers who came to that meeting the other night, representing the groups in which they're organized to represent, Madam Speaker; but 300,000 people spoke at the committee meeting the other night and they didn't speak in favour of the bill. Yes, they spoke for farmers, 300,000 people.

Let me finish the paragraph so the Member for Flin Flon may learn something in his career:

"Three-hundred thousand members from locations as far north as Sundance on the Limestone Hydro project, as far south as Gretna, as far west as Flin Flon, and as far east as Sprague, Manitoba. Our members entrust these deposits to us for judicious use

so that their credit union can provide them with a full range of service at reasonable cost."

Madam Speaker, it's not just the Opposition who is putting this case forward to the Minister of Agriculture. It's not just those few farmers who were able to come in the other night; it is 300,000 people telling this Premier, telling this Minister of Agriculture that what they're doing is wrong for the people of Manitoba.

But that doesn't surprise me, Madam Speaker, to see them proceed, because 85 percent of the people of Manitoba told the Premier he was wrong in the changing of our Constitution, but did he care, Madam Speaker? No, he didn't care about 85 percent of the people, no he didn't. The reason that he's still the Premier, Madam Speaker, and wants to thank his lucky stars, is that the issue wasn't used in the last election or he'd have been turfed out and turfed out in spades. He'd have been turfed out and turfed out in spades if that issue had been used on him and it should have been. It should have been used on him in spades. Madam Speaker, I'm saying it right from here.

So let's not just say that there are a few of us opposed to a bill because we're helping the bankers. There's proof in the record that it will help the bankers, what he is doing. We're not on the side of the bankers. We're on the side of right and justice and fairness and equitability. Yes, Madam Speaker, that's who we're on the side of.

So let the members in the vote on Third Reading, Madam Speaker, let the members of the government side, the Member for Lac du Bonnet, the Member for Swan River, the Member for The Pas, know that they're voting against the wishes of 300,000 members of the . . .

HON. H. HARAPIAK: That's not true Jimmy, I've talked to several of them.

MR. J. DOWNEY: I'm surprised to hear the hotbox of The Pas speak out.

Madam Speaker, there's one other argument that has been used by this government and by individuals who have - and it really was a disgrace the other night and I'm not saying this in a personal way - but as far as the Minister of Agriculture is concerned, he sat in that committee and used newspaper clippings about Saskatchewan, nothing factual, nothing really with substance that the credit union did a review of. I'll make a comment out of the brief of the credit union that refers directly to Saskatchewan and it was well researched. Here's what they said about Saskatchewan:

"It creates uncertainty, ultimately result in tighter, more selective credit granting in farm community. This will hurt both our farm borrowers and our farm depositors in the long run." Next paragraph, Madam Speaker, and this is on the Saskatchewan argument: "We acknowledge that similar legislation," - this is similar legislation to what they've proposed - "exists in the Province of Saskatchewan."

Madam Speaker, I would like the Premier to listen to this because this is what the credit union, 300,000 members said about the legislation in Saskatchewan, the example which his Minister used to support his legislation, the credit union cut the knees out from under him because this is what they said:

"We acknowledge that similar legislation as to that which is proposed exists in the Province of Saskatchewan and that the moratorium is renewable on an annual basis. We have analyzed the impact of this legislation as carefully as we can through our sister Central in Saskatchewan and we believe that has been indeed the effect that we have described earlier; that is, credits are being advanced in a more cautious way than they have in the past. These results were also confirmed in a recent Saskatchewan Wheat Pool study published in the Western Producer."

It's not a hollow statement as is coming from his Minister, Madam Speaker, it is coming from the credit union, 300,000 people strong, information from the Central Credit Union of Saskatchewan where the similar legislation is in place. The interest rates are higher and credit is tougher to get.

Why don't they listen, Madam Speaker? Why won't they listen to common sense? It's because they don't really care about anything but the political future and the political impression that they leave on the public, that they have done something. Madam Speaker, they again have done something to the people of Manitoba. They will cost them more money, as they're doing with the taxes, as they're doing with the deficits, as they're doing with their mishandling of funds through MTX and MTS; a bunch of irresponsible collection of people, who really don't have or shouldn't have the responsibility of handling other people's money, because they have demonstrated they're incapable of doing so.

I will conclude, Madam Speaker, and I want to make a statement. There's been one argument put forward here, they keep making a comment about \$1 billion being taken off the energy industry in Canada. Madam Speaker, that wasn't \$1 billion that was paid out in cash. That was foregone taxation which the Federal Government have given up. Yes, it was foregone taxation, the same kind of a move could be made in Manitoba by this government, Madam Speaker, by this Minister of Municipal Affairs who pretends he speaks for the farmers, by removing the education taxes from farmers; \$24 million, Madam Speaker, would be quite an asset, quite an assistance to those farmers, but no, he won't do that, yet he'll support his Minister of Urban Affairs to shift \$20 million of taxes off the homeowners in Winnipeg, but he won't do a darned thing for the farm community and doesn't care about them. That's the evidence how much he cares, Madam Speaker, for the farmers.

He could forego the education taxes, yes he could. He could get that \$20 million from MTX, from Saudi Arabia, Madam Speaker. It would have meant a lot more money in Manitoba than it would to the people of Saudi Arabia. Madam Speaker, the Premier will never be given the opportunity to forget that he's the father of MTX. He shouldn't be very proud of that child. He is the father of MTX and he'll never be able to back off that position. He is the father of MTX, Madam Speaker; he is the father of it.

Madam Speaker, I will conclude my remarks by saying that my speech on Bill 4 in Second Reading, that I believe that the Legislature of this province should be making some . . . Madam Speaker, I believe there are some positive things that can be done in society. I believe it is the responsibility of society to develop a fund that would be available to the preservation of the

family farm unit and, as well, the conservation of the farm base.

The Minister of Environment says, yes, the federal legislation really helps. Well, I'm glad to see that he agrees with it. I'm pleased that there's been one positive statement come from their side of the House. What is the Federal Government legislation doing, or the money which they're talking about? It's talking about giving an option to the farmer to look at, to make a living off the farm. What's the option that this government is suggesting to help the farmers out of trouble? To the Member for Virden, who's producing wheat at \$3-and-something a bushel, the more wheat he produces, the less money he's going to get per bushel.

Yes, Madam Speaker, they say the answer is subsidize that wheat. As soon as a farmer gets a subsidy on that wheat, he says, well, that's not that bad. If I grow more wheat next year, I get more subsidy, and we keep going down the wrong road, yet the same Minister of Agriculture in Manitoba says, we've got to produce a limited number of turkeys so that we can keep the turkey market up. We aren't going to open up the turkey business so everybody in Manitoba can produce turkeys. We're going to keep that narrow, limited little market so we can keep the price up. But the Member for Virden can produce the heck out of wheat and keep putting the price down and it's the best thing to do to keep him producing more wheat. Whose side is he on, Madam Speaker?

Eggs - somebody wants to produce eggs in the Province of Manitoba. What does he say to those people who want to produce eggs? You can't produce more eggs because we've got to keep the price up because we've got to limit the supply. Yes, Madam Speaker, what about chickens? What about broilers? What about milk? How in the world can a farmer do anything today but produce the one commodity that he or she is in?

His answer - and I'm just going to take a minute on this - for the Member for Virden or the Member for Ste. Rose, is to produce more wheat, so that the world glut increases. Yet the Federal Government comes out with a program that says, we're going to help farmers diversify. They're not saying move farmers off the farm. That's what the Minister in Manitoba is saying and the Premier of Manitoba is saying for their own political purposes, but I haven't heard John Wise say that. They want to leave the perception in Manitoba that they're the great saviours of the family farm and we're going to keep you all there, doing what? Not producing a diversified product like turkeys, eggs or milk; we're going to make you produce more wheat to put the price down for cheaper food for the world.

Why wouldn't they introduce a program, develop a fund, Madam Speaker, where those people could be paid to do something different on those farms. Let's put some of the soils into conservation projects. Let's say to those farmers, if you commit land to a long-term conservation project, then you'll get paid X number of dollars a year to do just that, and live on your farm. But no, their answer, Madam Speaker, we'll write legislation that says, first of all, the banks can leave you if you're in a shaky position, charge you more interest, Madam Speaker, and forget about you. It solves a lot of problems. I'll tell you what it is, Madam Speaker. Rather than giving them the penicillin the Member for Lac du Bonnet talks about, it's giving them the gas

chamber. That's their solution to the farm problem. Finish them off and finish them off immediately. That's what it is. It's pull the life support plug on the farmers with Bill 4. That's what it is, so I'm saying, Madam Speaker, the responsible position for this government to take would be to open up their blinkers, take off their blinders and take off their blinkers, develop a financial fund, Madam Speaker, where farmers can do something different.

It would be interesting to have the statistics of part-time farmers. Madam Speaker, we won't have very many full-time farmers left in this province if agriculture proceeds to go the way the Minister told us today, the amount of more farmers who are going to be in trouble. Yet he says this legislation will solve the problem.

Madam Speaker, this legislation is going to add to the problem, and why can't he see that it's a program to give farmers a diversified income, to let their productive time be used at something else on those farms. But I haven't yet heard from him, tell me what they can do. He said, geese, they can produce geese. Yes, they can produce geese. He can produce turkeys because he's protected. They can go and produce geese. His answer is, produce geese. That's what he said from his seat; they can produce geese.

Madam Speaker, I would say this, in my conclusion tonight on this bill, Bill 4 will be passed and I predicted what it will do. It will make the banks more money. It won't give one bit more light to those farmers who are sitting out there saying, do I go to the federal board, do I go to the provincial board? What am I going to get that's going to tell me that next year it's going to be better, because I've still got the same debt that they froze on my back? What's going to better my life in the next year in agriculture?

I tell you, Madam Speaker, higher interest is what this Minister's going to give them or no credit. That's what he's giving them; that's the brighter side of it, this bill is going to give them.

I would ask, Madam Speaker, that the Minister of Agriculture and the government consider those 300,000 people who said he's wrong and withdraw the bill in the best interests of agriculture and the future of this province.

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Madam Speaker, I would like to put a few words on the record and probably these words could be characterized as a lament for the Conservative Party in Western Canada, because the Progressive Conservative Party in Western Canada is in deep trouble.

They have in Ottawa now a government of their members who have written off western agriculture. They have now subscribed to a program in which they're going to ensure that there is a reduction in farmers in Western Canada. They haven't said, like Trudeau, who they condemned many years ago when Trudeau said, "Why should I sell your wheat?" They've now said to Western Canadian farmers, why should you farm? Do something else.

Madam Speaker, we have . . .

MADAM SPEAKER: Order please, order please. Order please!

If honourable members have comments to make, they can take their turn in debate.

HON. A. MACKLING: Madam Speaker, one of my colleagues jokingly said, I obviously bring out the best in them. Well, if that is the case, I'd hate to see them when they're at their worst.

Madam Speaker, we have gone through approximately four months in this Legislature and I have put it on the public record -(Interjection)-

A MEMBER: It seems like 40 years to you.

HON. A. MACKLING: Oh no, I'm prepared to stay here a lot longer. I've put it on the public record that I welcome the constructive criticism that has been placed before this House and before committee in respect to Crown corporations. It is true, Madam Speaker, we have to ensure as a government that our Crown corporations are properly accountable and that is certainly worth noting, worth recognizing and as a responsible Minister - and this is a responsible government - we will live up to that task. But, Madam Speaker, one of the tasks of a responsible Opposition is to come forward with constructive alternative proposals to meet the needs of Manitoba citizens. I'm appalled, Madam Speaker, because members opposite claim that they represent Manitoba farmers. But we haven't heard one reasonably constructive solution for the farm crisis in Manitoba from opposite.

Madam Speaker, the Honourable Member for Virden in his reddened apoplexy, because he recognizes that what I say is true, the only thing he has said is: do what Alberta and Saskatchewan are doing. Throw some hundreds of millions of dollars and match what our apologist politicians in Ottawa are telling us to do. Match funding and we'll match Ronald Reagan and OECC. That's all we've heard from the Member for Virden. But his same colleagues decry the extent of the Manitoba deficit.

You know, Madam Speaker, we've said it before, and it's nonetheless true, the honourable members can't have it both ways. They can't be saying to this government, throw some more hundreds of millions of dollars into agriculture and then you'd better bring down the deficit. How can they rationally argue that? Well they can't, Madam Speaker, there hasn't been a rational argument in respect to agriculture from that side of the House during this Session.

Madam Speaker, what we face in the world today is the use by governments of food in international power broking. We had a government in the United States who some years back said the Soviet Union have gone into Afghanistan, the Soviet Union is a threat, we're not going to send them any wheat. Now, Madam Speaker, we have a President of the United States who says: gosh darn, we've got a problem, a serious problem in the mid United States. We've got to sell some more wheat, because these vicious Democrats might take over in Washington. So they've found a new way now, not only to sell wheat to the Soviet Union, but to say we'll sell wheat at a subsidy.

Madam Speaker, they can do this, while we know in this world there are countless thousands who go to bed without sufficient food. There is no world food

bank. There is no commitment on the part of nations in the Western World to ensure that there is adequate food distribution, but there is a commitment, Madam Speaker, to fight communism. Every now and again it takes a vicious shift. We fight communism by subsidizing wheat today by Ronny Reagan, but meanwhile, we support the Contras in Nicaragua destroying farms in Nicaragua.

Madam Speaker, that's the kind of reactionary agricultural policy we see that is paramount in the United States, supported by the Canadian Government, supported by Conservatives, both in Ottawa and in Manitoba. That attitude, Madam Speaker, is survival of the fittest. They don't like organized marketing, never have, Madam Speaker. They believe that what's to be will be and the prosperous, the successful, the hard-working farmer will survive. A lot of them exhibit that kind of strength over there and I don't take it away from them. But, Madam Speaker, let there be no mistake. What we're facing in Western Canada is an agricultural crisis second only to the great depression.

The Honourable Member for Virden says, right, but he is not prepared to allow this government to pass legislation that provides further protection to individual farmers. Madam Speaker, we know that they support a government in Ottawa, that when there is a problem with the bank, they can find \$1 billion. When there is a problem with the oil industry, they can find \$1 billion. But when there is a crisis in agriculture, and not one, not some investors, not some depositors, not some shareholders, but hundreds of thousands of Western Canadian farmers are in peril, they can't find the money. They say to the provinces: you match the dollars if we're going to have a program. That, Madam Speaker, is the callous attitude of the Federal Government in Ottawa and that Opposition is in support of that position.

Madam Speaker, I'm going to give honourable members a little bit of advice and I know that most of them are going to ignore it, but I would suggest to honourable members opposite that are in a marginal political constituency, in a rural seat - and the Honourable Member for Springfield isn't present now - (Interjection) - I'm sorry. I apologize, Madam Speaker. Oh, there he is.

Madam Speaker, I would suggest that those honourable members, if they don't vote for this bill, should not be around when the vote is taken, because the crisis in agriculture, in Manitoba and in Canada is not passed. If those members opposite do not put themselves on record as supporting this government's efforts in respect to protecting Manitoba farmers, they will pay an accounting, and that accounting will come in the next election.

Madam Speaker, this is a time of crisis for agriculture. It is a time when governments must face up to the responsibility of protecting farmers and saying to the banking, the lending institutions: the rights of farmers come first, you come second. That's what this bill is about and honourable members should stand up for it.

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNESS: Madam Speaker, I thought I might glean something from the Minister of Labour's response

on this bill. I must say quite frankly he added nothing, although I didn't realize that the Contras and indeed Dome Petroleum had some impact on Bill 4.

But, Madam Speaker, let me say, firstly, that I think we finally found the NDP's hidden agenda in bringing forward Bill No. 4. Madam Speaker, we finally uncovered it. It just finally arrived, so I'll say it slowly so the Attorney-General can write it down. I think he wants to copy this. Madam Speaker, this bill will drive a large number of farmers out of business.

Madam Speaker, what's happening in the United States today, particularly around and about large cities, is that the new farmer of the day happens to be the professional lawyer, doctor, the professional accountant, somebody now who works basically four days a week, somebody who now has capital to invest, somebody now who really isn't terribly concerned about maximum production, somebody who buys smaller equipment, somebody who makes it a hobby. That's the hidden agenda with respect to Bill 4. Members opposite in their spare time crave to be farmers and that's what they're going to do on weekends. I finally found the answer. Well that's great, because I've been racking my brain for two-and-a-half months trying to ask the question: why Bill 4? So, I'm glad I finally found the solution, at least to the satisfaction in my own mind.

(Mr. Deputy Speaker, C. Santos, in the Chair.)

Mr. Deputy Speaker, there is no doubt that this is purely a political bill. It's an election promise that was obvious to us as soon as we saw the title of the bill - Family Farm Protection.

Mr. Deputy Speaker, if the government was sincere in their actions, they could have brought forward a resolution in this House which we would have supported encouraging the Federal Government to act quickly with respect to the Thunder Bay strike. They could have titled that resolution the family farm resolution, we would have supported it. Mr. Deputy Speaker, this Session they could have thrown out The Farm Protection Act and that act, doing away with that whole thing, could have been called The Family Farm Protection Act.

Mr. Deputy Speaker, the members opposite could have brought forward an amendment to The Municipal Act, dealing with education tax on property, on farm land. Mr. Deputy Speaker, that could have been called The Family Farm Protection Act. Mr. Deputy Speaker, there are four or five or at least a dozen things the members opposite could have done and titled it The Family Farm Protection Act, which would have had greater benefit, which in the long run would have caused greater protection, afforded greater protection for farms than Bill 4.

Mr. Deputy Speaker, I've learned a lot about this Minister during this debate. I've learned that he's stubborn. I've learned that he's uncompromising. I've learned that he's unaccommodating, and certainly non-conciliatory. Mr. Deputy Speaker, the old saying goes, a wise man will change his mind many times if he's found to be wrong; a fool never. Mr. Deputy Speaker, I can tell you that, in spite of all the good commentary, in spite of the strong arguments that have been provided and presented to this Minister, he hasn't backed up one inch on this bill.

Mr. Deputy Speaker, it begs the question. Who drafted this bill? This is not a grassroot politician's bill. I can tell you, it isn't the Member for Swan River. He may want to have done some of these things, but he didn't draft this bill. The Member for Lac du Bonnet, Mr. Deputy Speaker, this is not his bill. He may have wanted to afford some of the protection provided in the bill. It's not his bill. Mr. Deputy Speaker, I say to you, it's not even the Minister of Agriculture's bill. He's the sponsor of it, but it's not his bill.

Mr. Deputy Speaker, I want to tell you who drafted this bill and who wrote it. First of all, it was a non-farm type. It was a professional not in the farm community. It was a student of agriculture, a theoretician, Mr. Deputy Speaker, but it wasn't somebody, first of all, closely involved in farming. It certainly wasn't somebody who represents the farm community and has a capacity to put legislation in place.

Mr. Deputy Speaker, this farm bill, Bill No. 4, is not a creature of members opposite, those who represent truly the interests of the farm community. I say to you, Mr. Deputy Speaker, that the architect of this bill is a student of agriculture, is a student of socialism, is a student of class struggle. The only reason of course I say that, Mr. Deputy Speaker, because every time we've risen to address it, we've been accused of holding as a hidden interest the concern of the lending institutions, particularly the banks. So, we're well aware, Mr. Deputy Speaker.

I believe the pleadings of the Member for Lac du Bonnet when he says, why can't we do things more harmoniously and with a common goal of the farm community. Mr. Deputy Speaker, part of the answer as to why we can't do that is encompassed within this bill, because this bill was not drafted by the likes of the Member for Lac du Bonnet or the Member for Swan River or indeed members of our side who represent the farm community. Mr. Deputy Speaker, I tell you that this bill was crafted by a student of agriculture.

Oh, it had the right political buzzwords for the government, Mr. Deputy Speaker. It contained that word, "moratorium," that word that allows and gives to those people who are in difficulty forever and ever supposedly the hope that they will not be thrown off the land. It's their right, according to the Minister of Agriculture, once the powers under the moratorium section are evoked.

Mr. Deputy Speaker, at no cost though should this bill be allowed to come in. As members opposite have said or indeed as my colleagues have said previously, I honestly agree with them that Bill 4 will cause a greater disturbance within the farm community than any other action.

Mr. Deputy Speaker, the credit union brief was so revealing. Although it's been quoted often, I say to the Member for Lac du Bonnet and I say to the Minister of Agriculture, nothing really happened on the Crow Rate Debate until Manitoba Pool, the largest farm organization in Manitoba, had something significant to say. The Member for Lac du Bonnet knows fully well the power of that large organization with 18,000 members, not all in agreement with the policy. Yet, he knows the power and the influence that organization has on agricultural matters. So, we too know the power that the credit union movement should have on this issue.

The Member for The Pas says, I've talked to a lot of credit union members. They're not all in agreement with it. Well, I agree with him. But the fact is they come forward and they represent 300,000 members. How can any Minister of Agriculture disregard and discredit what it is they had to say?

Mr. Deputy Speaker, it makes no sense to me. The Minister of Agriculture is fully aware that members on this side were waiting carefully for the credit unions to come forward and make their presentation, because they went through the democratic system. Just like Manitoba Pool does to try and find a policy decision, so too the credit unions did in this case. To the Member for Lac du Bonnet, you are on the opposite side of a system and an institution that you hold dear, and so are many members. I ask you, how do you feel. Again, do you really feel that you're representing the farm community, members of the farm community who are such large supporters and members of the credit union?

Mr. Deputy Speaker, I won't mention the 300,000 people who are involved in it. My colleague, the Member for Arthur, quoted that quite frankly. But I want to make this one quote. On Page 2 - and it's from the credit union brief - and I quote: "The liabilities in our system are primarily made up of deposits entrusted to us by the various credit union members." I skip a sentence, and I continue: "Our members entrust these deposits to us for judicious use so that their credit union can provide them with a full range of services at a reasonable cost." Mr. Deputy Speaker, the corollary is to that, of course, if judicious use is not used, all of a sudden, reasonable cost increases. Mr. Deputy Speaker, that's all that we were trying to say throughout our debate on the issue.

The brief also asks the rhetorical question on Page 10: "Do we support the moratorium? The answer to this question was an unequivocal 'No.' The credit union system does not support any moratorium . . . The reason we do not support any moratorium follows the logic that a process which will affect the ability of the lender to ultimately realize on his security will place us in a difficult situation of having to judge our loans so carefully that loans which might otherwise be granted will be passed over by any prudent lender." Mr. Deputy Speaker, one other quote, and that was on Page 14, "The second question was 'Would credit unions raise interest rates if Bill 4 were passed?' Again the answer was an unequivocal 'yes'."

Mr. Deputy Speaker, those were the two fundamental positions almost of every speech made on this side. Those were the linchpins behind every one of the comments made on this side. It was borne out by an institution representing 300,000 people. Yet, the Minister of Agriculture, who said he's been prepared to listen to argument on this - and I dare say, in my five years of being here, I've never heard as much objective argument, I've never seen as much behind-the-scenes trying to come to some further understanding of what the words meant and yet, Mr. Deputy Speaker, the Minister of Agriculture didn't back up one inch.

You know, the Member for Swan River says there's no real problem, or he says the real problem is increasing costs. He says the real problem is the fact that our prices aren't high. Of course he's right. But I say that in Canada there is nothing that can be done with respect, in a meaningful way, to world international

prices, but the province could help out by, again, removing education tax, by not costing them a thing, by moving in support of the thing.

Mr. Deputy Speaker, members opposite seem to be in some urgency. I was planning right at this moment to finish my presentation but I will . . . again, by repeating that agriculture will survive, will continue to do so by increasing production such that maybe wheat, instead of being worth a nickel a pound to me will be worth three or four cents.

There will be relocation; there will be people leaving, Mr. Deputy Speaker. In the last 25 years 15,000 farmers have left the land in the Province of Manitoba. This government has been in place 14 out of those years. Let them not realize that rationalization hasn't taken place. They've been in government during those years - 15,000 in the last 25 years, and it will continue.

I say Bill 4 will do nothing but expedite the wish in the minds of some to see more and more farmers leave the land. I dare say, that view, by what Bill 4 is doing, is being held basically by the members opposite.

Thank you.

MR. DEPUTY SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Deputy Speaker, I think this is probably the moment of truth in this Chamber, the moment of truth as to the evaluation by honourable members in this Chamber as to the kind of society we see in the future for rural Manitoba, for the farmers of this province.

This is the moment of truth for members to decide as to whether or not they are prepared to take a firm and unequivocal position during difficult and trying times insofar as the rural economy is concerned. This is a moment of truth insofar as honourable members are concerned, as to whether or not they are prepared to be activist, whether they're prepared to dare the scorn of mighty and powerful institutions, or whether they are prepared to take that action which is necessary, given the circumstances, to ensure there is a better future, a better opportunity to preserve the family farm in the Province of Manitoba.

I have been accused earlier, by way of the discussion, of having campaigned on this issue. I acknowledge, I plead guilty to having campaigned on this issue. Honourable members across the way did not campaign on this issue. But interestingly, Mr. Deputy Speaker, when I raised this issue in the campaign, did the honourable members advise me that I was supporting the banks? Did they condemn my policy proposal during the campaign? Did they tell the farmers of the Province of Manitoba that which the Premier has proposed to the farmers of the Province of Manitoba is disastrous?

Mr. Deputy Speaker, honourable members across the way, whether it be the Member for Ste. Rose, the Member for Roblin-Russell, any other member, they were very silent, very silent in respect to this particular proposal during the campaign. If they wanted truly to test out the mood of the farmers in the Province of Manitoba, they would have said we are unequivocally opposed to the proposal by the Premier of the Province of Manitoba, the New Democratic Party position. They hid their position during the campaign.

They even hid their position when this legislation was first introduced in this Legislature in June. Weeks went by before they were able to decide which side they were on. At one point, they appeared to be on side; at another point, not on side; but mainly mute, mute. Yes, I agree with the Leader of the Opposition, they have looked very, very silly since last February or March in respect to this legislation. But worse than that, they have appeared to, although they claim to be the friends of the farmer, the supporters of the farmer, they have not provided leadership on this issue, Mr. Deputy Speaker.

The Member for Morris suggested that our hidden agenda was to get the farmers off the land. I heard the Member for Morris say that very clearly. I wish the Honourable Member for Morris had opportunity to listen to the six o'clock newsbreak this evening. I noticed on the newsbreak the Honourable John Wise, the Honourable Charles Mayer, announcing a new \$46 million program. Was it a program to help preserve the family farm?

SOME HONOURABLE MEMBERS: No!

HON. H. PAWLEY: Was it a program to strengthen the rural community?

SOME HONOURABLE MEMBERS: No!

HON. H. PAWLEY: They described it as a program

SOME HONOURABLE MEMBERS: Oh, oh!

HON. H. PAWLEY: I can certainly understand, Mr. Deputy Speaker, their uneasiness about the program announced this very day by their federal cousins in Ottawa. I can understand their uneasiness and they have good reason to have red faces further to that announcement this evening by Wise and by Mayer in Ottawa.

They proposed a program, Mr. Deputy Speaker, of transitional assistance in order to assist thousands of farmers to move off the land and into the cities. They said that they were going to locate farmers in the cities and towns of this country, move them from the farmland. That's their new agricultural policy? Is it any wonder that the payout on Farm Credit Corporation is much less than the receipt? Yes, I would agree with an honourable member on this side; it appears that is the same, that program written by Dalton Camp, the same sort of program that Dalton Camp would have offered some 20-25 years ago when he had a position, as well, of some influence at that time as Chairman of the Progressive Conservative Party of Canada.

What has happened is that we -(Interjection)- that is a moment of truth. It is a moment of truth for the honourable members across the way to recognize that they are rapidly losing their western base of support. Strange intentions are developing. If they win the Pembina by-election at the end of this month, it's going to be by a big-size decrease in the majority they had only two short years ago, because there's growing disenchantment in Western Canada amongst western farmers towards the Conservative Party of Canada, including their provincial counterparts.

Let me say the clincher came only yesterday - \$1.2 billion for the oil industry; \$1.2 billion for the 45 largest oil companies in Canada. This act and the urgings that have gone on, and the pleading that has gone on and the representation that has gone on for months by farm organizations and farmers throughout the whole of Canada, Mr. Deputy Speaker, I think it's clear that the kind of future we want for the farmers of Western Canada is a future in which there is some fairness in the event of seizure by the financial institutions, that there's a process by which there can be a fair determination as whether or not the particular foreclosure is brought about as a result of circumstances outside the control of the farmer or whether it's as a result of the farmer's own mismanagement.

That's what is asked for - is fairness for the farmers of Western Canada. The honourable members across the way and their federal counterparts in Ottawa have obtained a big chunk of fairness for the oil industry and the oil giants of Western Canada. Why can't we have some fairness, Mr. Deputy Speaker, for the thousands of farmers of Western Canada? That's what this is all about. The moment of truth has arrived.

MR. DEPUTY SPEAKER: The Member for Virdein.

MR. G. FINDLAY: Thank you, Mr. Deputy Speaker.

Mr. Deputy Speaker, I rise to speak to this bill. I expect I'll be the last one to speak on it and, certainly, I am very deeply moved, very deeply concerned that I have to speak to this bill a second time. The last time I spoke on the bill, we had spent a lot of time analyzing it in trying to figure out what the objective of the bill was and we're still wondering what the objective of the government is to be pushing this bill at this time.

The Premier has said the moment of truth. It is very definitely the moment of truth, and the moment of truth to the Minister of Agriculture came in the last two days when he was at committee hearings and heard input from citizens all over the Province of Manitoba and not one of them was there to support his position, not one; not even the one who is referred to as his brother-in-law, who may not be his brother-in-law.

(Madam Speaker in the Chair)

Madam Speaker, agriculture is an industry of pride. I'm involved in agriculture. I wasn't involved in agriculture for a number of years - I went back to it - because it's in my blood. I farm because of pride. I take great pride in crops that are growing like all the other farmers do. It doesn't matter if it's a good crop or a mediocre crop. To see it mature and to harvest it is pride; that's an annual cycle.

There's pride in seeing turkeys grow. I'm sure the Minister of Agriculture will agree. There's pride in seeing a calf born and grow up to maturity. We are a separate breed, Madam Speaker, we live on pride. I fear most for those farmers who will be caught up in a situation where they have to resort to living under a moratorium. I believe, Madam Speaker, a high level of pride in that industry will leave. Many farmers are under stress right now, economic stress, and a moratorium is not the solution to it.

The Member for Swan River stood up awhile ago and he said the problem is lack of cash -(Interjection)-

Exactly. Lack of cash, that's the problem. But yet, he supports a bill that everybody who made representation to the bill at committee said it will increase a farmer's operating costs, and for some it will mean they won't even have the credit to operate. That's on record by speaker after speaker after speaker. It's a reality they cannot deny and the Government of Manitoba has not put their money where their mouth is, like the Province of Saskatchewan has.

The presentation from the co-ops laid that on the line loud and clear. Previous members who have spoken from this side tonight have used the credit union brief as notes to draw from. I will, at the last tonight too, because they put it in focus better than any other organization that came forward. They were the wild card in this whole thing. They did the most study. They did the most in-depth analysis and it must have been heart-wrenching for them to have to come forward and speak against the government which they are receiving a loan guarantee from and they are negotiating that loan guarantee, so they had guts to come forward. They did a tremendous in-depth analysis and they hit the nail on the head every time they brought forth a significant statement.

The Minister of Agriculture wouldn't agree that they had a correct statement anywhere. Earlier on in the discussion tonight, the Member for Lac du Bonnet spoke and he spoke for several minutes without even talking about farming or about Bill 4, and he talked about Communism. I find that deplorable, that we talk about the big stick and Communism when he's talking Bill 4. Is he telling us something that we haven't already heard?

This bill clearly does not address the farmer's problem and it was mentioned by every speaker that spoke in committee. They know what the problem was, and this has got no money behind it, no method of bailing a farmer out of his economic dilemma. A farmer that's in a state of moratorium - foreclosure moratorium as the Minister calls it - it doesn't matter how you define moratorium, it's still a deadly word.

That farmer was still going to be accruing interest on his debts. He is still going to have the total debt owing at the end of moratorium, and where is the money going to come from to bail him out, because sooner or later - it wouldn't matter who is in power - that moratorium must be lifted. Now that's there's a sunset clause in it, we know when it's going to be lifted unless there's new legislation to prolong it. But every person who is operating in a tough economic situation that's under the stage of moratorium knows that it's eventually going to end and then it is all over really.

The Minister of Agriculture and a couple of other speakers, including the Premier tonight, made fun of the fact that we spent time analyzing this very significant bill, and we wanted time to be sure that we knew where we were coming from. We did not want to make a kneejerk, political reaction to a bill that was going to have a long-term effect on the rural community of Manitoba, and unless you understand that, Mr. First Minister, you don't know what the bill says.

We consulted with farm organizations and we put ourselves on record speaker after speaker and when those farm organizations came forward in agriculture committee, they vindicated every position we took, every position; we were not wrong on one position.

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Madam Speaker, we analyzed this bill from the standpoint of . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. G. FINDLAY: . . . Madam Speaker, -(Interjection)- Okay, the First Minister says four months. Does not every member on this side have the right to speak to any bill? The Minister of Agriculture made fun of the fact that a whole bunch of us spoke. They spoke because it's a significant bill and he made a snide remark about the city members speaking and that is not acceptable. You made that statement, Mr. Minister, and it is not acceptable. We all have the right to speak. We all have concern about the farm community. We all came from the farm community at some time in our past history.

Madam Speaker, we analyzed this bill from the standpoint of would it help those farmers in serious economic trouble? The answer is no because there's no money there to help them and that's what the problem is, lack of cash. We analyzed it from the standpoint, would it hurt any farmers in rural Manitoba, and the answer is yes, it will hurt farmers because of what statements were made to us in agriculture committee in terms of the cost of credit and the availability of credit.

Madam Speaker, I would like to spend some time reviewing for the Minister of Agriculture and all his colleagues on that side, what was said repeatedly to him in agriculture committee by the large number of people who came forward and made representation to us. Most of them are representing organizations, and organizations are a lot of people and the spokesmen that come forward are speaking for all those people.

Everybody that came forward agreed with the mediation boards and the mediation panels. They agreed with the peer advisory boards and the peer advisory panels. They said that they can do a job out there and they will do a consistent and honest job of appraising a man's position when foreclosure time is near. They told the Minister of Agriculture and all his colleagues that this bill - the moratorium portion of this bill - will reduce the amount of credit available to the high-leveraged farmer and it will increase the interest rate, particularly to the high-leveraged farmer; the farmer least able to pay a higher cost for credit.

The credit union's brief said that the Saskatchewan Wheat Pool study clearly indicated that credits are being advanced in a more cautious manner in the Province of Saskatchewan where a moratorium is in place and it's been repeatedly said to us, why could we not support a moratorium because our colleagues put one in place. They did it and that's the end result. I said it in my opening comments, that credit is more difficult to get in Saskatchewan and it's more costly for the high-leveraged farmers and the Saskatchewan Wheat Pool study backs it up and the credit union has put in on record in a committee. It's there from them. Is that okay, Mr. Minister?

The credit union said that there's a significant negative effect on the borrower of Manitoba because of Bill 4. They said, "Bill C-117, the Federal Farm Debt Review Act, would not have anywhere near the same degree of negative impact on the availability or cost

of credit." In fact, if you look at it another way, one of my colleagues said earlier tonight, you're giving the bank a licence to charge a higher interest rate, and if they don't have any bad loans occur, then they're going to profit from charging the higher interest rate to offset the risk and, Mr. Minister, you're giving them the licence to do it; to charge higher interest rates, take it out of the pockets of the farmers who are least able to pay it.

Madam Speaker, the Minister was also told that if the moratorium portion of the bill was left in and never proclaimed, it would have the same effect of proclaiming it because it hangs there as a black cloud, that they have to write into their risk equation, the fact that the moratorium may be proclaimed at some day in the next three years.

They told him of the success of private mediation that has gone on in this province over the last two to three years when many farmers came to a position where they were in very severe difficulty and were probably very close to foreclosure. There was debt writedowns, there was interest set-asides; there were various kinds of agreements struck by the hundreds and hundreds and his voluntary board handled some 22 cases since 1983.

Now who is handling the majority of mediation cases? It's the banks and credit unions and those who are lending money. They're doing it on a voluntary basis with those that they consider to be the good borrowing clients, who have the ability to manage their finances in the future, and their ability to be agronomically good farmers.

Mr. Halabura, again I'll use in quote, the alleged brother-in-law of the Minister said he had 80 clients . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please.

The Honourable Minister of Agriculture.

HON. B. URUSKI: I wish that the honourable member would do some research on his facts. If he doesn't know the facts, let him not put them on the record. I would be pleased to be Mr. Halabura's brother-in-law, but I'm not, but let him at least put the facts straight.

MADAM SPEAKER: A disagreement over the facts is not a point of order.

The Honourable Member for Virden.

A MEMBER: Maybe he was the bestman at his wedding.

MR. G. FINDLAY: Mr. Halabura is a private mediator, research consultant or something of that order, living in the Minister's riding and he told us he had some 80 clients . . .

MADAM SPEAKER: The Honourable Minister of Agriculture on a point of order.

HON. B. URUSKI: Madam Speaker, may the Member for Virden please get his facts straight. I would like to have him as a constituent, but he's not in my riding.

MADAM SPEAKER: Again, a dispute over the facts is not a point of order.

The Honourable Member for Virden.

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

Mr. Halabura told us, in a committee, he has had 80 clients and he said every client was below 15 percent equity and those are people who are in difficulty, there's no doubt about it. When repeatedly questioned, he admitted that nobody refused to come to the bargaining table to talk about a difficult situation, because earlier in his speech he said we have to have the moratorium to have the big clout, and then he contradicted himself by telling us that he didn't need the big clout to get people to come to the table to negotiate. That's why he gave us credit for saying that the mediation process can, does, and will work. It has worked by private deals in the past and will continue to operate that way, even under the government's bill. He doesn't need the moratorium to make mediation work.

Madam Speaker, they told him quite clearly, institution after institution, that if this bill is put in place, the credit institutions will no longer go the extra mile with a client in financial difficulty. They will move on him sooner; they will move on him at a higher percent equity; they will move on him one year or two sooner, because now there's a mechanism. We can force him to go to mediation; we can put the responsibility on somebody else's shoulders and make the farmer demonstrate that he can carry on.

Presentation after presentation told the Minister that The Federal Farm Debt Review Act is adequate legislation for this period in time. It allows for the mediation process. It has a vehicle set up, where all farmers in difficulty could have a hearing in front of a board of responsible people, to determine if foreclosure should be allowed to carry on, or the farmer should be protected by some agreement that can be struck.

Every organization said to him, let's withdraw Bill 4 right now. Let's hold it in abeyance; let's give the federal legislation a one-year trial to see if it works. If it doesn't work, we're prepared to come back and re-debate Bill 4. - (Interjection)- You're too late.

They told him repeatedly that the Rural Transition Program which the Federal Government has offered and today announced, the Rural Transition Program has a significant role to play in helping those farmers who have reached a mental state that they want out of agriculture. I can tell you, Madam Speaker, there are some in that position.

HON. B. URUSKI: They don't want it, they've been forced out.

MR. G. FINDLAY: Mr. Minister, not all of us who are farming today have the same level of resolve to fight the elements. Sometimes we've gone farming, we've tried it for five or ten years, and the pressures are too great, the risks are too high and the potential of monetary loss is too high for us to put up with. We want a chance to get on with our life in some other trade.

If you lived in Toronto and your job was closed out, you could get retraining. If you're a farmer, there's no program to allow you to have public money for

retraining. This program put in by the Federal Government announced today is that vehicle and every percent of it was there and Ag committee said that program has a role to play and it operates under the federal act and that's the act which everybody wants to see given a one-year trial.

Every presenter repeatedly told the Minister that he should be working cooperatively with the Federal Government and try to work out relationships between his bill and their bill, so that only one was in place.

The Canadian Bankers' Association put on record a survey that had been commissioned by them. It consisted of some 400 phone calls, and I will just pick a few figures out of the facts that they gave us. From the phone calls done randomly across the Province of Manitoba, not very long ago, 61 percent were not in favour of Bill 4; 67 percent said Bill 4 would lead to more conservative lending practices; 67 percent favoured more government loan guarantees as a solution to the farm crisis, not a moratorium-type legislation; and only 5 percent of the people contacted by criteria and research were in favour of a moratorium. Madam Speaker, 5 percent, that's 20 people out of 400 phone calls. That is not a significant number to warrant the kind of resolve the Minister is demonstrating in terms of pushing this bill through.

Now I would like to just comment briefly on comments that the Member for Gimli said when he was standing up. He said, "We did not contact the community at large." We did. The people who made presentations contacted the community at large. There's an example of what the Canadian Bankers' Association did. Earlier speakers have said what the credit unions did to determine their position, the amount of meetings they had, phone calls they made and many meetings they had with their members.

That Minister brought in a bill this year, Bill 33. When the bill was tabled in the House, I phoned a reeve in one of the municipalities in my constituency and I told him what was in the bill and I said there was a certain residency requirement that may give him trouble. He said, "What the heck, why are they bringing that in? I've never heard anything about it." So he phoned the Union of Manitoba Municipalities. They had never heard anything about this bill or that part of this bill. They did not know anything about it.

A MEMBER: They did so.

MR. G. FINDLAY: They did not, and when I spoke to the Minister and told him that, he said, oh, they're supposed to know, but they didn't know, and I congratulate him for withdrawing it.

Further to that, that was just shortly after the Minister had a round of meetings with the councillors in the Province of Manitoba and he still didn't tell them what the bill was all about, and I find that reprehensible that a person does not communicate with the people for whom he's responsible.

Madam Speaker, presenter after presenter told the Minister and his government that the only real solution to the farm crisis is a cash injection. The credit unions told us what they thought of the moratorium in Saskatchewan. They said the Province of Saskatchewan put their money where their mouth was by putting in

over a billion dollars of money in farm programs to back up their moratorium.

They told him that operating funds will be very difficult for any farmer to get if he's in the state of moratorium. When the application is front of the courts, who is going to lend them operating money to carry on his farming operation? He can have the land, he can have the equipment, he can have the livestock, but if he doesn't have cash to pay for his inputs, he cannot carry on the farm, so the moratorium in no way is protecting him. It's destroyed his ability to carry on his annual cycle.

Madam Speaker, they told him to remove the section on chattels, on equipment and livestock because the Province of Manitoba has no legal right to carry out this part of the legislation, so why put it in the bill?

In conclusion, Madam Speaker, I would like to read from the presentation that the credit unions brought forward. I've said already how I congratulate them on the tremendous degree of work they put into this presentation, the background work they did, the meetings they held, and I can tell you there must have been some heart wrenching and gut tearing meetings and discussions that took place, because I know a lot of those members supported that government. I would ask them right now, would they support that government at this moment, with this kind of result of analysis of a bill that they said no to, no to, no to?

Madam Speaker, can I read briefly from this? "We tried to ensure a balanced view which would assist government and, hopefully, help them to develop a strategy or to set out a process to develop a strategy which would ultimately result in saving as many family farms as possible. We would hope that consideration might be given to allowing Bill C-117 to proceed unimpeded and to judge it within a year and then to introduce necessary support legislation, if required."

Madam Speaker, that's a clear and definitive statement. I would like to now give the Minister one last chance to withdraw that bill, and to do that, I would like to move, seconded by the Member for Ste. Rose

THAT Bill 4 be not now read a third time, but that it be read a third time, this day, six months hence.

MOTION presented.

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, in speaking to this amendment, I find in this Legislature and in Western Canada we have a very desperate Conservative Party, an extremely desperate Conservative Party that now has finally realized that they have been sold out by their federal colleagues and especially their Prime Minister. They have, in fact, been sold out; they have attempted to defend the indefensible, Madam Speaker. They have attempted to say that provinces and this government should in fact, in all cases, bail out the Federal Government from their financial responsibility to western agriculture, in health care education and the farmers. That's been their position, Madam Speaker, throughout this Session, and the farmers of Western Canada realized and realized what is going on and that's why they are so desperate.

Agriculture in this country and in the world is going through some very difficult times; we all recognize that. Even in our conferences, Federal/Provincial Conferences of Agriculture Ministers, the majority of whom are Conservative Ministers' of Agriculture, they come to these conferences and complain that over the last decade provinces have had to take up the greatest share of financial support to the farm community when it comes to direct support, and the Federal Government have backed away. It's been Liberal Government and it has been the Conservative Government that has moved in that line; but what we have seen here, Madam Speaker, in this Chamber, in this Session, is an Opposition Party trying to gain the support because they do represent a lot of rural constituencies and their constituents are saying, what are these guys in Ottawa doing? They're giving to oil companies a billion dollars this month, two billion dollars three months ago, or last fall, then the banks, then the bail-outs to Chrysler and the loan guarantees here and the loan guarantees there. What are they doing for agriculture? There's 140,000 of us in Western Canada, Madam Speaker, and we're in trouble.

The Premier really touched on the issue very clearly. The issue is, in this Legislature and in this province, really what do we believe a rural society in our province should look like? What do we believe that our rural communities and our farm families should look like in the next number of years? Should we take, as a matter of public policy, the hands-off approach as they took when they were in government. Their policy was to put your hands over, and this is the policy of the Department of Agriculture is our hands off.

Or, Madam Speaker, do we take an approach, in determining what the future of rural Manitoba will be, to try and preserve the number of family farms in this province so that the businesses that we talk about can prosper, so that the services that we are all wanting, and many of them are complaining about that are being downgraded? Who is going to pay for those services when those people are forced off the land? Do they not realize that when we lose five or six farmers from a community, somebody in town closes their doors? And they wonder why we have put in the kind of legislation we have.

We recognize, Madam Speaker, that there is a limited capacity, the fiscal capacity, of any province in this country. We know the financial limits that we can go to in terms of supporting the farm community. We know that you need not \$10 million or \$20 million in support of the farm community because it is cash - all members on this side know that it is a cash-flow problem - and it is income that farmers need, and there is no province that has the fiscal capacity to support the kind of incomes that farmers need. We don't need \$10 million or \$20 million, Madam Speaker. What we need in Western Canada, if we are even to match what Uncle Sam is doing, we need \$3 billion, not the \$1 billion that Western Premiers have been advocating. They have been quite reasonable in their requests.

What kind of a response have we received from the Federal Government? Well, if we're going to put the money up, we want 50 percent from the provinces. They have supported that, Madam Speaker. Their position is let's get the province deeper in debt because that's okay, it's the NDP. Madam Speaker, is the Premier

of Saskatchewan a fedbasher when he says we need a billion dollars? Is the Premier of Alberta, Don Getty, when western alienation is rampant in this part of the country, is he fedbashing because the feds are not being sensitive enough? They became very sensitive in two weeks - \$1.2 billion to the oil industry? Where are the farmers with no questions asked, no 50 percent contribution from the Alberta Government, but \$1.2 billion for the oil companies.

But these members opposite say let's bail out our friends. Let's make sure that it's 50-50. Madam Speaker, obviously, members opposite, it appears that they really don't understand the rural economy and rural agriculture and the kind of financial support that is needed to support that economy and what farmers need, and they don't want to recognize that it is beyond the fiscal capacity of any provincial government to put those kind of resources there.

So what does the province do? I want to go through the litany of what we have done. Madam Speaker, the interest rate relief, the first province in this country to recognize the interest rates that they supported were doing irreparable harm to the farm community. The farm community did not get into difficulty overnight. It doesn't happen overnight; it happens through a succession of years of drought excessively. I would call insane high interest rates that got most of those farmers in difficulty. When you start compounding those interest rates over three or four or five years, Madam Speaker, that's where the difficulties are.

Madam Speaker, interest rate relief, intensive farm management counselling, by all independent sources, we were highlighted in Western Canada as a province channeling its extension resource in the best way to deal with the farm financial counselling that farmers need. We have been the star that provinces to the west have been trying to emulate in that area.

Madam Speaker, I was chastised by members opposite about us having high interest rates in long-term credit through MACC. We allowed farmers to buy down their interest rates at a refinance cost of \$1 million and a saving of \$19 million. Were we given credit? No, it was not enough, Madam Speaker.

We brought in The Farmlands Ownership Act and I think the truth really came out because the Member for Portage was a farmer then and he came to a meeting in Portage when I was consulting on that bill, and he said you know, I agree with that bill but it's the NDP that are bringing it in. If it was the Tories in Saskatchewan, the bill would be good. He supported the bill and now he wants to backtrack in respect to The Farmlands Ownership Act.

Madam Speaker, we used the Manitoba Properties . . .

MADAM SPEAKER: The Honourable Member for Portage la Prairie on a point of order.

MR. E. CONNERY: Yes, Madam Speaker, the Minister points out to a time when I was in favour of the farm bill if he had done it immediately, but that Minister did not have the guts to do it when it should have been done and didn't do it until the land prices had soared so high. Now he tries to turn it around, Madam Speaker, and that is not the fact. That Minister is a great

bafflegabber but he's never put any facts on the table to date. He just keeps on and on and on.

MADAM SPEAKER: Order please, order please. Order please. The honourable member does not have a point of order and also the words "has not got the guts" is unparliamentary.

Would the Honourable Member for Portage please withdraw those remarks?

MR. E. CONNERY: Mind you, I've got to admit the Minister's a pretty gutless Minister, but if that is the term that Beauchesne doesn't like, what the heck, I'll withdraw.

MADAM SPEAKER: Thank you very much.
The Honourable Minister of Agriculture.

HON. B. URUSKI: Notwithstanding the nonsense of the Member for Portage, he acknowledged that he did support our legislation. He says one thing in the riding and he says another thing on the hustings, Madam Speaker. That's a member who speaks out of both sides of his mouth, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Portage la Prairie on a point of order.

MR. E. CONNERY: A point of order, Madam Speaker. The Minister is imputing motives that I don't say the same thing at all times. Madam Speaker, that is tantamount to telling a lie. I told you what the situation was. If he had brought in the legislation when he first proposed it, I would have supported it, but that Minister did not have the intestinal fortitude to do it and so he put it . . .

MADAM SPEAKER: Order please.
The honourable member has made his point.

MR. E. CONNERY: I would ask, Madam Speaker, that the Minister withdraw that remark.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please. Order please.
The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, I know that the member came to a meeting and said that he supported legislation that I was proposing. Then he came to a meeting in the fall of 1985, when I was consulting on our options to dealing with the farm financial crisis, and he attacked me for bringing in the bill. Is he now denying that he did that?

MADAM SPEAKER: Order please. The point of order that was raised was not a dispute over the facts. It was the conclusion that the Honourable Minister was casting aspersions on the Member for Portage la Prairie.

HON. B. URUSKI: Madam Speaker, clearly, the information I have put on the record is fact. If the Member for Portage indicates that those facts cast an

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aspersion on him, I will withdraw that remark. But he will be the one who will have to live with saying one thing in one place and another thing in another.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.
The Honourable Member for Portage.

MR. E. CONNERY: On that same point of order, Madam Speaker, the first time was in 1982 when he was attempting to bring in the bill . . .

MADAM SPEAKER: Order please, order please. Order please.

MR. E. CONNERY: . . . when the farm community . . .

MADAM SPEAKER: Order please, order please. Order please.

Would the Honourable Member for Portage la Prairie please come to order? Order please.

The Honourable Minister of Agriculture to continue the debate.

HON. B. URUSKI: Madam Speaker, thank you.
Another program that we brought in . . .

MADAM SPEAKER: Order please.
The Honourable Member for Charleswood.

MR. J. ERNST: I wonder if the Minister would entertain a question.

MADAM SPEAKER: The Honourable Minister.

HON. B. URUSKI: Madam Speaker, I will be pleased to entertain a question at the conclusion of my remarks. I will be very glad to do that.

Madam Speaker, if I could continue with the kind of measures and action that this government has performed for the farm community, an action that members opposite voted against, and that was the use of the setting up of the Manitoba Properties Fund, because we are using money from the Manitoba Properties Fund to refinance farm loans at 9.75 percent. We're using that fund, that members opposite called a fraud, a perpetrated fraud. Now the farmers of Manitoba have eligibility to borrow from that fund. Who is the fraud now, Madam Speaker?

The Minister of Finance brought in a measure - \$6.5 million to act as a negotiating lever to support Bill 4. In another measure, Madam Speaker, we're bringing in and doubling the benefits of the CRISP Program to rural residents. For a family with three children, the benefits this year exceed \$2,000 per family. Madam Speaker, let's compare that kind of support that I was accused of not supplying to the farm community, that Saskatchewan has done in providing \$1 billion of loans to the farm community.

MADAM SPEAKER: Order please, order please.
The Honourable Member for Virden on a point of order.

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

Could I ask your indulgence on a question? Could the Minister talk on Bill 4?

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please. In my opinion, the Honourable Minister is being as relevant as many other members in this debate.

HON. B. URUSKI: Madam Speaker, I just want to draw a comparison for my honourable friends, because they attempt to paint the picture that a billion dollars of loan money at \$25 per acre at 6 percent interest rate is in fact a huge financial benefit to farmers. I want to say that it is of benefit to any farmer who cannot get credit.

Let's see what the benefit is in terms of Manitoba's agricultural community. Average farm size in Manitoba is roughly 600 acres. At \$25 an acre, Madam Speaker, a farmer would be eligible for a loan of up to \$15,000 at 6 percent. The opportunity costs, if one had that money to invest, he might in that period of time receive approximately 9 percent if he was going to put it into term deposits. Am I going out too far? Three percent on \$15,000 is \$450 a year. That is the benefit in terms of that benefit per farm.

Madam Speaker, the Minister of Finance's proposal - for a family of three, it's over \$2,000 a year, five times the direct benefit. They talk about, saying there are great benefits. I want to say I admit that the loan capital will help.

Madam Speaker, part of the Conservative argument has been that the moratorium will cause irreparable harm to the lending and the way credit is granted in this province. Madam Speaker, they say - and you know, they've gone a full circle - in fact, the Member for Pembina today decided to take the tack that this bill was going to be good for the banks, so they've made a complete circle. The next thing they have to do is turn inward and shoot their leader, Madam Speaker, because that's likely what will happen with the Conservative Party in the next number of months. They are now slowly turning in, because they've made a full circle already around the wagon, and they will turn inward.

Madam Speaker, their critic on this bill, their chief spokesman, when he spoke on this bill said that the moratorium didn't mean a damn, that it was of no significance, that the criteria used in the moratorium was no different than under the review process. Those are his remarks on the bill, and now what are we going to do to find a position in this House; let's find an issue to get around this, because we need an issue. So, we're going to now debate this bill and say, this is of great harm. That's a nice reversal of position by the Conservative Party from sitting for a month and saying nothing, to saying no problem with the moratorium, and now the moratorium is the worst aspect of the bill. Quite a nice turnaround, Madam Speaker.

I think the real clue in this whole debate came from the Member for Lakeside as to the Conservative position. His statement was that if this bill was window-dressing, we'd support it. That was really the position of the Conservative Party: let's support Bill C-117 as

window-dressing, and the rest of it we don't care about. Let's show the farm community that we think we're doing something when we're doing nothing, Madam Speaker. That's really the position of the Conservative Party.

Madam Speaker, let's look at what we're opposed to. We have about 40 percent of the farm community virtually out of debt or debt-free. We have 60 percent of the farm community that relies on credit to one degree or another. We have the bankers who came, all the financial community, but the bankers clearly stated in their brief that 5 percent of their loans are in difficulty. Madam Speaker, they are saying that if 5 percent of the farm community is in difficulty, we are now going to make the rest of the farm community pay for the losses of 5 percent. That's really what they're putting on the table.

The members opposite are saying, oh, we are afraid that they're going to do this to us, and in fact we should withdraw the bill. But, Madam Speaker, what are those incremental costs? Not one speaker, whether it be the credit unions, whether it be the banks, was prepared to say what is the incremental cost between the review process of Bill C-117 and the so-called additional cost of Bill 4, nobody. All of them said there will be additional costs, but even the Royal Bank, the President of the Canadian Bankers' Association, Mr. MacDonald, said it may even reduce some costs to some because we will be more careful in our lending practices.

Madam Speaker, what has happened over the last five years in terms of lending practices? Have things not tightened up? Why did the province have to go into a massive loan guarantee program of \$100 million in the last five years? Why did we have to say we're going to guarantee the loans of all farmers who cannot get operating credit, over \$100 million, if credit hadn't tightened up?

Now they're going to go around the countryside and say all those farmers who don't get credit next spring will blame it on Bill 4. Malarkey, Madam Speaker! We know that they will do that, because they did the same thing with the moratorium. They confused, they totally misrepresented and distorted the facts on the moratorium, because the moratorium, Madam Speaker, is not on debt; it is on foreclosures.

There are exemptions in the moratorium. There is an exemption that the banker can show that a farmer is not a good manager and he has not lived up to his obligations truthfully in terms of the debt and an exemption can be granted.

So, Madam Speaker, let not any Conservative go out to the countryside and say the moratorium is the worst part of this bill because then they are really saying we cannot stand the scrutiny of the kind of dealings that the financial institutions are doing on the farmers, we'll let them do it under the table. For some they will give and for some they won't.

Why did we bring in this provision at this time? Madam Speaker, federal-provincial statistics show that in 1985 in Western Canada, and I gave my honourable friend these statistics: 2,690 non-viable farms in Western Canada; Class 2 deteriorating farms - 4,880; and marginal farms, those starting in financial difficulties - 6,560.

What are the projections, Madam Speaker? The projections are the non-viable farms moving from '85

to '87 to 5,950 - a 100 percent increase in the number of farms in financial difficulty. But that's not all, Madam Speaker. The deteriorating farms go to 9,490 from 4,880. Madam Speaker, here is the real telling one: the marginal farms move from 6,560 to 15,265, a more than doubling of farms in financial difficulty that is moving ahead.

Madam Speaker, the reason we brought in the moratorium provisions is that if the bottom continues to drop out of the grain industry, we will have a mass exodus out of rural Manitobans and then we will have Conservatives coming to this Legislature saying you haven't done enough; you withdrew the moratorium bill. You stupid Minister, why don't you bring it in because we're losing too many farmers? I can see the argument right now, Madam Speaker. And now they have the audacity to come to this House and say withdraw these provisions. Nonsense, Madam Speaker.

Those kinds of statistics, they should scare every member, and rather than defend federal policies that say, and I want to quote the Deputy Minister of Agriculture: "I think 15 to 20 percent fewer farmers is not unrealistic," said the federal Deputy Minister of Agriculture. Coupled with a removal of FCC moratorium, coupled with what we call now, by the Member for Arthur, the new rural diversification program. The new rural diversification program - that's what the Conservative Party stands for. Let's diversify these farmers, let's get them off the land; that's how we will diversify agriculture, Madam Speaker. Is that the new Conservative definition for rural Manitoba?

Madam Speaker, the farmers of Western Canada, and if their constituencies should turn on every Conservative member and say those comments of the Member for Arthur are despicable in terms of saying that that's a good program, I want to say that I acknowledge that we will not save every farmer. We will not save every farmer, and that program may be of help, but it is the duty of every Minister of Agriculture in this country to act as a farmer's advocate and this legislation acts as a farmer's advocate and this government will do everything in our power to support the farm community.

MADAM SPEAKER: The question before the House is the amendment moved by the Honourable Member for Virden, seconded by the Honourable Member for Ste. Rose. All those in favour of the amendment say aye; all those opposed. In my opinion, the nays have it.

The Opposition House Leader.

MR. G. MERCIER: Yeas and Nays, Madam Speaker.

MADAM SPEAKER: Call in the members.

The motion before the House is moved by the Honourable Member for Virden, seconded by the Honourable Member for Ste. Rose, that Bill No. 4 be not now read a third time, but that it be read a third time this day six months hence.

A STANDING VOTE was taken, the result being as follows:

YEAS

Birt, Blake, Brown, Carstairs, Connery, Cummings, Derkach, Downey, Dreidger, Ducharme, Enns, Ernst, Filmon, Findlay, Hammond, Johnston, Kovnats, Manness, McCrae, Mercier, Mitchelson, Nordman, Oleson, Orchard, Pankratz, Rocan, Roch.

NAYS

Ashton, Baker, Bucklaschuk, Cowan, Desjardins, Doer, Dolin, Evans, Harapiak (The Pas), Harapiak (Swan River), Harper, Hemphill, Kostyra, Lecuyer, Mackling, Maloway, Parasiuk, Pawley, Penner, Plohman, Santos, Schroeder, Scott, Smith (Ellice), Smith (Osborne), Storie, Uruski, Wasylycia-Leis.

MR. CLERK, W. Remnant: Yeas, 27; Nays, 28.

MADAM SPEAKER: The motion is defeated.

**THIRD READING
BILL 4 - THE FAMILY FARM PROTECTION
ACT**

MADAM SPEAKER: The question before the House is Third Reading on Bill No. 4. All those in favour say aye; all those opposed say nay. In my opinion, the ayes have it.

The Opposition House Leader.

MR. G. MERCIER: The same division, Madam Speaker.

MADAM SPEAKER: The bill is carried and so ordered on division.

The Honourable Government House Leader.

HON. J. COWAN: Yes, Madam Speaker, before moving into Committee of Ways and Means, due to an oversight previously, the amended Third Reading bills were not moved and seconded properly.

So that the record is clear, can it please, by leave, be shown that the bills were moved by myself and seconded by the Minister of Labour.

MADAM SPEAKER: Agreed? (Agreed) Agreed and so ordered.

The Honourable Minister of Finance.

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

I move, seconded by the Attorney-General, that Madam Speaker do now leave the Chair and the House go into a Committee of Ways and Means.

MOTION presented and carried and the House resolved itself into a Committee to consider of Ways and Means for raising of the Supply to be granted to Her Majesty with the Honourable Member for Burrows in the Chair.

**COMMITTEE OF WAYS AND MEANS
CAPITAL SUPPLY AND MAIN SUPPLY**

MR. CHAIRMAN, C. Santos: We shall deal firstly with the Resolution on Capital Supply.

Resolved that towards making good certain sums of money for Capital purposes, the sum of \$1,196,600,000 be granted out of the Consolidated Fund—pass.

The second resolution on the Main Supply is as follows:

Resolved that towards making good certain sums of money granted to Her Majesty for the public service of the province, for the fiscal year ending the 31st day of March, 1987, the sum of \$3,507,728,900 be granted out of the Consolidated Fund—pass.

Is it the will of the Committee of Ways and Means that the resolutions be reported to the House? (Agreed) Committee rise.

Call in the Speaker.

IN SESSION

The Chairman reported on the deliberations of the Committee of Ways and Means and asked leave to sit again.

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: I move, seconded by the Honourable Member for Inkster, that the Report of the Committee of Ways and Means be received.

MOTION presented and carried.

INTRODUCTION OF BILLS

HON. E. KOSTYRA introduced, by leave, Bill No. 50, An Act to Authorize the Expenditure of Money for Capital Purposes and Authorize the Borrowing of Same (2), and ordered for second reading immediately; and Bill No. 51, An Act for Granting to Her Majesty Certain Sums of Money for the Fiscal Year Ending March 31, 1987 and to Authorize Commitments to Expend Additional Money in Subsequent Years and to Authorize the Borrowing of Funds to Provide for Cash Requirements of the Government, and ordered for second reading immediately.

SECOND READINGS

**BILL NO. 50 - THE
LOAN ACT, 1986, (2)**

HON. E. KOSTYRA presented, by leave, Bill No. 50, An Act to Authorize the Expenditure of Money for Capital Purposes and Authorize the Borrowing of the same (2), for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Minister of Finance.

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

Just by way of brief explanation, this bill is intended to provide borrowing and expenditure authority as well as guarantee authority, in some cases, which is required for specific non-budgetary capital programs for the fiscal year which began on April 1st. These requirements are concluded in the Capital Estimates for the non-budgetary capital purposes which were tabled earlier in the Session and which are authorized in two parts,

by The Loan Act, 1986, already approved; and The Loan Act, 1986, (2).

As you aware, The Loan Act provides incremental authority. In some cases it is supplemental to already existing authority and in other cases no authority for the same purpose remains. It is not intended that all of the authority provided in The Loan Act, 1986, (2) be exhausted by the end of this fiscal year.

In some cases, Manitoba Hydro and Limestone, for example, the authority is provided at this time so that commitments may be made and contracts may be signed. Expenditures will take place in this and subsequent year. When the bill reaches Committee of the Whole stage, I and my colleagues can provide any necessary explanation or information for the members.

MOTION presented and carried.

BILL NO. 51 - THE APPROPRIATION ACT, 1986

HON. E. KOSTYRA presented, by leave, Bill No. 51, An Act for Granting to Her Majesty Certain Sums of Money for the Fiscal Year Ending March 31, 1987 and to Authorize Commitments to Expend Additional Money in Subsequent Years and to Authorize the Borrowing of Funds to Provide for Cash Requirements of the Government, for Second Reading.

MOTION presented.

MADAM SPEAKER: The Honourable Minister of Finance.

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

As members are aware, this bill is intended to provide expenditure authority for the amount shown in the Main Estimates of Expenditure for 1986-1987, which have already been reviewed, in length, and in detail in Committee of Supply.

While the bill is similar to previous appropriation acts, there are some differences. I have provided a clause-by-clause explanation of that for the Opposition House Finance Critic, and if there is any further clarification, that can be dealt with at committee stage.

QUESTION put, MOTION carried.

MADAM SPEAKER: The Honourable Minister of Finance.

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

I move, seconded by the Attorney-General, that Madam Speaker do now leave the Chair for the House to go into Committee of the Whole to consider and report on Bill No. 19, The Statute Law Amendment (Taxation) Act (1986), Bill No. 50, The Loan Act, 1986, (2), and Bill No. 51 for Third Reading.

MOTION presented and carried and the House resolved itself into a Committee of the Whole to consider and report on Bills No. 19, 50 and 51, with the Honourable Member for Burrows in the Chair.

COMMITTEE OF THE WHOLE HOUSE

MR. CHAIRMAN, C. Santos: These are the following bills: Bills No. 19, 50 and 51. What is the pleasure of the committee in considering each of the bills?

Bill-by-bill? Agreed.

BILL 19 - THE STATUTE LAW AMENDMENT (TAXATION) ACT (1986)

MR. CHAIRMAN: Bill 19.

A MEMBER: Pass.

MR. CHAIRMAN: Pass.

BILL NO. 50 - THE LOAN ACT, 1986 (2)

MR. CHAIRMAN: The Member for La Verendrye.

MR. H. PANKRATZ: Thank you, Mr. Chairman.

I'm actually pleased to be able to speak in this House, Mr. Chairman, but at the same time it grieves me to have to speak on what I am speaking here this evening on all these bills and actually how this government, in my opinion, has basically mismanaged their affairs. It reminds me of the way our First Minister has been acting these past four months and, mind you, this is the first time I'm in this Session, but it reminds me basically of a ship that is sailing without a rudder.

During last weekend when that plane crash occurred in Los Angeles, basically, it reminded me of this government. The course was set after the accident; it was just a matter of when it would crash. I think what we are seeing happening is every year half-a-million dollars deeper and in four months' time!

The Member for Morris has asked the Finance Minister to explain where we are heading and, Mr. Chairman, to this day I have yet to receive a response.

Standard and Poor's - the downgrading reflects a steady deterioration of the finance position and a sizable increase in the tax-supported debt burden despite recovery in the provincial economy since 1982. I think Manitoba's operating shortfalls amount to the highest of Canadian provinces, a range between 5.5 percent and 7.3 percent of the operating revenue each year since 1982. The total budgetary shortfalls have ranged between 13.5 percent and 16 percent of budgetary revenues over the past five years, reflecting large capital outlays.

I think these reports to our First Minister, especially, he should really study it very closely because basically he is the First Minister, he's the one who is in charge of the course that this province is taking, and here we see the Ministers not coming up with any concrete solutions. I think if the Ministers can't, I think it's up to the First Minister that he should have the guts and be able to get up and tell us what course are we taking, where are we heading.

All that this government is concerned about is that they want to feebash. For four months, I have heard what the Federal Government is doing wrong.

Now I think, Mr. Chairman, it is a tragedy and a shocking disgrace what has happened to the financial situation in this province. I come from the municipal level and I'd like to address this to the First Minister

because I believe he is the one that has to take the responsibility.

The provincial legislation that this government and previous governments have put in place does not allow a municipal government to go into debt, to have a deficit budget at the same time the province can do it. I would venture to say what is fair for one should be fair for the other, and if you do go over, there should be a way and means of some way to be able to control it.

For four months I've been waiting for the Minister of Finance and also the First Minister to come back to us and somehow explain to us how will this deficit ever be recovered, if it ever will be. Well, obviously, they don't know or they would come up with something.

I'm just wondering, the First Minister, I'd like to ask him actually and I wish maybe at the end of my comments that he maybe would try to answer me on this. You're asking constantly for support from the Federal Government. Do you want the Federal Government to put in legislation not to allow you to overspend like you are doing? Is that what you're after? Or do you want to run your own ship? At the present, it is going without a rudder.

The First Minister was at the conference in Victoria on August 24th, and I wish he wouldn't leave. I wish he'd hear me out because I just a few more comments which I'd like to address to him. In this House that First Minister got up and said when I'm going to go to Victoria, my No. 1 item will be agriculture. Then he got the mandate from all of you people when he would go out there that he should hold all trade talks. I don't blame the Minister of Finance to be disturbed because I would be disturbed if I would be in his position right today, and all his colleagues gave him his clear mandate to go there and halt trade talks.

Well, Mr. Chairman, I want to read to you from Maclean's magazine. I'll tell you, I'll show you all the pictures. If his picture wasn't there, you'd hardly know that he'd been in there at the conference. "While Manitoba's Premier Howard Pawley voiced out that it would bring any benefits . . ." Now what kind of a statement is that? What do you read from a statement like that? Said Devine. And we can be critical of other Premiers and whatever we want to be. "It is international chaos. We've got to get together on this; otherwise the United States will pick us off province by province. The decline of commodity prices has redoubled the desire of many Premiers for a trade agreement that would guarantee easy access to the American market. As a result, Getty received . . ." Now hear me out on this. "Getty received wide support when he urged Ottawa to proceed full speed ahead with free trade talks which open on May 20th and are effected to conclude before the end of 1987."

What did our Minister leave with? With a mandate. When he came back, did he report to us? You know what he reported when he came back? The 10 provinces were united that the Federal Government should pay more. That's all that he reported from that conference.

They agreed to urge continued negotiations. What does our Minister state? He is trying to portray something to the people of Manitoba that he did not go out there and convey to them.

I want to give you some figures: \$194 billion is our trade with the United States annually and that is, in

direct jobs, 2.5 million jobs. Then I hear in front of the Legislature, a gentleman in front of the mike speaking out that it is going to cut jobs. Not one person from the government side came out and told the truth. Who's elected to run this province and to come out and tell the truth? I believe we, as an Opposition, also have a mandate. Here in the paper, Pawley vows to keep Hydro out of free trade talks. Another thing, how do you keep that out?

His report, when he came back to this House, was only one statement. All 10 agreed - feds should pay more. That's the only report that our First Minister of this province gave to this House; that's the only report. Why don't you, for once, put your party stripes aside and act in the best interests of the province, within Canada?

We have a government that wants to divert the financial problems of Manitoba onto the Federal Government by not addressing its own. - (Interjection)- The Minister of Health, you can speak when your turn comes; now it's my turn.

We have different issues whereby this government has shown how irresponsible they have acted and I'm not going to elaborate in detail, but I want to point out some for the record.

For instance, in the MTX, the refusal of a public inquiry, the kickbacks and everything else that was going on there, the \$20 million of Manitoba money. At the same time, the fire departments in the Province of Manitoba would like to see a FRED system all over the Province of Manitoba. To implement it would only cost \$2 million if they absorbed the total cost, but that can't be done.

Manfor, another loser, a Crown corporation, \$31 million. Now they lay off people, close the plant. They received a \$12 million federal grant to improve the plant. That manager, I've been led to believe, is one of the highest paid managers in the Crown corporations. I must say, somewhere down the line, whomever he is accountable to, he should have to be more responsible. There's no question about it. You changed the date on your annual reports so it wouldn't have to show in your election. Now you have no lumber to cut.

Flyer Industries is another one, and I'm just going back from what the records show in 1981, that Flyer Industries could have washed clean if they would have sold. But then I understand the NDP Government objected to it. Today, it's a \$100 million loss.

Brandon University, the firing of Dr. Harold Perkins. ManOil. What is ManOil doing? What is this government doing in ManOil? One hundred barrels a day you're pumping at \$14 a barrel. You've got \$10 million sunk into there, which is costing \$3,000 a day interest and your gross income is \$1,400 a day. That doesn't take much calculation.

Then you've got Mr. Parasiuk with his SRTC. Actually, I must say, in Mr. Parasiuk's case, I'm happy that he was acquitted of it, but the fact still remains that his colleague called it, what he was doing, and also the other Minister who couldn't remember that he'd borrowed \$20,000.00, said that was legalized theft. That's what your party stands for; that's what your members did.

Instead of reprimanding your members, this member, the member who called it legalized theft, he gets up and he has a grievance speech and condemns

everybody but himself. That reminds me of an old saying: He sees the splinter in somebody else's eye, but not the boulder in his own.

Mr. Chairman, the list of outright blunders, reversements and broken promises must make a lot of people question why they voted this government back into power. An increase in the deficit, the lowering of the credit rate, Madam Speaker. The question must be addressed: Where are we heading? Over \$8 billion of provincial debt, .5 billion budgeted annually, \$27 million over on the first quarter. It seems to be now just a matter of bookkeeping. That's all our Minister of Finance will now state on where we're heading.

When the Member for Portage made his speech, he added the federal deficit to it and he tried to make this government realize that the Federal Government also has its problems. We are responsible for our own destiny and I think it's about time this government wakes up to the problems and faces reality that we cannot just keep on going deeper and deeper into debt. If we are doing it, there should be a solution. Somewhere you should be able to come up with a plan, a five-year plan or whatever. You're demanding it from the municipal boards. Why don't you do it yourself? Why don't you come to this House with a five-year plan? The loss of \$80 million, just in currency exchange - you can sure read the market very good. I've got to give that Minister of Finance a lot of credit.

Should our borrowing not be stabilized somewhat? Should we not have some control? Like I indicated before, I would suggest that we get a stronger Federal Government in place whereby federal legislation will possibly be able to control the province from taking us deeper and deeper down because I think somewhere down the line this has got to stop.

I'd like to indicate again that the municipalities need to have a five-year plan and are restricted by the provincial, and it reminds me actually what this government is doing. It says do as I tell you, not as I do. It seems to me, on observation as a new member to this House, that the Ministers dread coming into this Legislature. Every morning or every afternoon when we have question period, it seems to me that they are frustrated, and they have shown that during the past couple of months. They don't know what will explode in their faces next; very little control over the ship. The Member for Morris indicated it was a sinking ship and I think I have to agree with him. This proves their mismanagement.

Is it not the mandate of the Opposition to check, to review, to criticize where it's needed and to constantly check the Government of the Day on the operations? Is that not the mandate of the Opposition? I can't understand, and when I sit here - I've sat here for four months - and I see questions - they don't want the Opposition to ask questions, the most bizarre thing in this House.

Mr. Minister, you're the First Minister of this province and you've got chaos in here with your own members. Mr. First Minister, I want to ask you a question. Why do you have question period if your guys ask you the questions? Why do you have question period in here? Well, I'm just bringing it to your attention.

I'm a new member. You've been sitting here for maybe 17 years, I don't know. But to me, it just seems bizarre that we've got the press there for questions. Your

questions, they can be news releases. That's what they should be.

I want to ask the First Minister, MTX, July 17, Mr. First Minister, you indicated, why don't you want to sell our expertise to foreign countries and make money for the Province of Manitoba, July 17. The Minister in charge, whom you appointed as Minister in charge, he agreed wholeheartedly. He repeated your vows.

Then the Opposition asked questions and ever since, you've been stymieing questions. Well, naturally, you know what you've been doing, asking your own members questions, trying to waste the clock, the 40 minutes.

The Member for Thompson, Tuesday, September 2 -(Interjection)- from Flin Flon? No, no, I'm not referring to him. I'm referring to the Member for Thompson. On Tuesday, September 2, he made the comment, referred to the grants that had been received for the airport from the Federal Government.

Mr. Deputy Speaker, I want to put on the record what this government has done for the constituency - and I would like all of you to take note - what this government has done for the constituency of La Verendrye for the past couple of years, including this year. Before I tell you what it is because I'm sure you don't know, but I would like to point out that Steinbach is basically serving about a 50,000 population area in the tourist trade and also in the regular trade. So Steinbach is within La Verendrye but it's the whole southeast, basically. We have received, First Minister, now which we're getting this year four miles of upgrading and gravel and, in the UVD of Reynolds, a couple of thousand dollars of gravel in how many years? That's basically for three years.

Well, I just want it to go on the record, that millions and millions and millions of dollars of sales tax and payroll tax comes from that southeast, and we're also in the Province of Manitoba, Mr. First Minister. You're supposed to be representing us.- (Interjection)- Oh, the Member for Flin Flon says now, we are representing them. You have just been telling us right along, you are the government. Okay, as long as you got that.

In regard to the airport, I have to give the Federal Government credit that at least they recognize that portion of the province, socialistic government. Falcon Lake Resort, we've got the golf course, we've got the ski hill and a few other facilities. But the ski hill isn't making money. The other facilities are, but the ski hill isn't.

You know what now, Mr. First Minister? You know what your government now wants to do? They would want to privatize. They want to get private people now to run it, because you and your members can't make money in it -(Interjection)- that's right. Why not the whole thing then? -(Interjection)- if you want to discuss it, any time.

So the fact remains that because it's a money loser, that portion you want to shed. That's just like Flyer. I thought what the Member for Springfield put on the record was rather nice, and I'd like to repeat that to you. "To me, it looks as if this government is struggling in quicksand. The more it struggles, the deeper in it gets. No wonder some people are starting to call this Camelgate because it seems that in order to minimize political damage, they are trying to cover up the scandal."

Well, we've heard a lot about Bill 4, and now it's been passed. Now, hopefully it's going to be salvation for the farmers, like it has been stated by so many members. The banks, 22 - and it's unfortunate that the First Minister doesn't come to any of those hearings - there were 22 different organizations represented - (Interjection)- yeah, it was a very short while, I'm sure, if you weren't. But the First Minister, 22. I'm looking at you because you're the head of that ship that is sailing today, in my opinion, without a rudder. That's why, Mr. First Minister, I am looking at you. The people around you, you are in charge of that ship. Where we're heading for, we can only basically blame you, First Minister.

For two days, representation from 22 different organizations, credit unions, banks, Keystone, etc., all against Bill 4, basically stated that they would like to see that Bill 117. But no, this government in its wisdom, it had to proclaim something. "As a major farm lender, we are concerned with implications of any credit legislation. We're particularly concerned that Bill 4 in its present form has a potential to do a lot more harm than good to the industry at large."

Well, Mr. Deputy Speaker, our Minister of Agriculture makes comments also, some of his colleagues, that we on this side are constantly shirking our responsibility in the agricultural area. But what will this government do for the Manitoba farmers? We are shirking our responsibility. We are trying to help them wherever we can, and it seems to me that you're groping for the last straw. Like the First Minister, before he indicated when he passed by, he says, you know, it was four months ago I made that my election promise. But if it is a lousy deal, then why not get out of it? That's what you told us here. Four months ago, you made that your election promise.

Because this government has not seen fit to act on the Weir Report or whatever portions thereof, it had to implement Bill No. 57 to accommodate, because of court order for the City of Winnipeg. The Minister of Municipal Affairs told us during the Estimates that in the rural areas the figures were in, but they weren't in the urban areas. So that's the reason why . . .

MR. DEPUTY SPEAKER: The member has three minutes more.

MR. H. PANKRATZ: Three? Thank you very much. I won't go much over. I'm almost done. Is there a time limit on this?

The Minister of Municipal Affairs stated that once he got all those figures, he would work towards implementation of the review on the educational tax on farmland. Now they bring in Bill No. 57, which totally eliminates the rest. Well, they will work with it, but when will they work with it, and we are still waiting.

I have to agree with the Member for Lac du Bonnet, that we should try to work together. There are areas where we definitely can work together, and I think Bill No. 4 would have been one; it would have been one. I must ask again, why can we not in some of these areas work together, because it would definitely be beneficial because we're all elected, we're all elected. Sure, you're running the government, but we're also elected for our areas.

The Minister of Municipal Affairs indicated he could not implement any changes to the assessment before he had all the figures. But to the First Minister, at the same time, it took you just a matter of six weeks to implement a half mill over right across all assessment, to charge all the rural areas policing half a mill. It was implemented just within a matter of a couple of weeks.

You allow companies from Holland to come here to buy the bus business and pay them for it, but the same people cannot come and buy agriculture land. Then you're concerned, then you're concerned that the value of the land is going to depreciate; then you are concerned that the value of the land will depreciate.

One question I have, Mr. Deputy Speaker, in regard to the potash. To the First Minister, I'd like to have him possibly sometime in the future give me some of these answers. Why do you buy into something with 49 percent? Why don't you have the controlling shares? I want to - just relax Mr. Schroeder.

A year ago, Hearst Canada had some meetings at the Holiday Inn, and they are closing down. The president of Hearst Canada at that time indicated, and that is what you could call a multinational company, they're a company that have their companies right across the world. They're closing down one of their largest fertilizer plants in Germany, because they believe within five years you can inbreed your fertilizer requirements into the product that you want to grow. They're closing down one of the their largest fertilizer plants that they have in Germany.

I think we need to, in regard to this potash, have a study done, what would be the world's demand and whether this would be feasible for Manitoba at this present time. Then we can get into the Manitoba Properties Incorporated, selling buildings \$400 million worth and now we are renting them back, paying the investors 13.5 percent quarterly.

Mr. Deputy Speaker, the list goes on and on and on. We have incompetent operation, mismanagement and the list goes on and on. Mr. Deputy Speaker, the list of Crown corporations, etc. where we have invested money and they're basically all money losers.

MR. DEPUTY SPEAKER: Is there leave that the member can continue?

MR. H. PANKRATZ: Just two more minutes.

MR. DEPUTY SPEAKER: Leave is granted for two minutes.

MR. H. PANKRATZ: Thank you, Mr. Deputy Speaker, I want to thank them for giving me this opportunity.

Mr. Deputy Speaker, this Session has indicated that a good Opposition makes a bungling government reveal how truly incompetent they really are. We have proven ourselves, we have proven ourselves to the people for four months.

In closing, I want to just leave with you one little - something that I heard the other day. Nobody knows the age of human race, but we all know that we should know better.

MR. DEPUTY SPEAKER: The Member for Inkster.

MR. D. SCOTT: Thank you very much, Mr. Deputy Speaker.

Wednesday, 10 September, 1986

I must say I'm a little bit disappointed with the speech that we've just had from the Member for La Verendrye. He's a member who came into this House, and I got to know not well but I got to know a bit, and he's a member who've I've respected an awful lot. I think that when he has spoken previously he has generally given sincere thought and he doesn't usually waste a lot of words in debate like so many members of the House do, especially from his side. But today I think the Member for La Verendrye slipped into the same difficulties that so many of the other louder members of the Opposition benches routinely, day by day, get into rhetorical comments more based on rhetoric than on fact. We have had members opposite, and the members opposite know darn well that this member in the House is, and I say this with a special emphasis on the small 'c' but very fiscally Conservative.

I am very concerned about the level of deficits that have developed, not just in the last four years, but in almost the last decade of government, not only in Manitoba but right across the country. This government, I believe, has attempted to try and hold the deficit from going too fast and it's obvious that we will continue doing that work, and we will be making efforts in the future, and it certainly will have my strongest support to do what we can to reduce those levels.

But when the members opposite come forward and demand day after day, all during the Session, that we spend more money on one issue, more money on another issue, we haven't gone through a set of Estimates in this government except perhaps for Co-op Development, where we have not had the members opposite asking for more money. When we come in with responsible taxes to be able to assist both to keep the deficit in level and to provide funding for the services that we provide to our people, the members opposite to a man, to a woman, deny and condemn those tax adjustments, and in some instances new ones.

They continue to harp, and I'm surprised I haven't heard it 20 times today. Maybe the Member for Morris is going to close debate for his side I believe in a couple of minutes time, and he will no doubt make reference once again to the payroll tax, the post-secondary education and health levy. That levy, the members opposite claim that they are concerned about deficit levels and if they want to get the deficit levels down. They didn't talk about deficits at all in the last election; they didn't talk at all. I certainly did, door-to-door to my people. But I never heard the Leader of the Opposition or in any of their campaign advertisements even come close to talking about the issue. Perhaps some members opposite did individually as did I, I don't know. But they cannot maintain any degree of credibility when they come into the House, haven't fought an election without hardly mentioning and without mentioning a deficit and saying that the deficit has to be taken care of later. I can remember some quotes from the Leader of the Opposition during the campaign. Then to come into the House and to say that the tax is too high, that we should be wiping this tax out and that tax out without being honest enough to offer any kinds of alternatives. In the last Legislature we had two members who did.

The former Member for Turtle Mountain suggested, and I respected him for that, that instead of one form of taxation we should be increasing sales taxes, and

that it would be somewhat a similar amount of revenue raised. I respect him for offering an alternative. I believe the former Member for Fort Garry backed him on that.

I haven't heard other members doing the same thing and, certainly, in this Session, none of them have offered any solutions whatsoever or any alternatives whatsoever for the raising of funds, which is as much a responsibility of government as is the expenditure of funds.

Our whole democratic system is dependent as much on the raising as it is on the spending of the funds. You cannot just want to spend and not want to raise the funds and maintain any credibility whatsoever in the eyes of the public.

We've heard in the last couple of days the members opposite on the discussions around Bill 4. They don't want us to go through with Bill 4, which is a regulatory piece of legislation which puts more responsibility on the banking community and on the finance community as well as on the individual farmers themselves, but they want us to turn around and to move with huge, huge amounts of money to pour in on straight cash grants to farmers on one basis or another.

Alberta came along with a program somewhat like they are proposing. It cost them almost \$1 billion, I believe, if I recall correctly, and it isn't going to do anything to help the farmers who are in most difficulty in Alberta. Most of the money will go to the ones who aren't in any difficulty and that's the kind of program that they are advocating. Hundreds of millions of dollars that program will cost. Have they mentioned one word how they would raise the funds to provide for that program? No, I can only assume that they would increase the deficit by whatever that program was going to cost in addition.

Roads - the Minister of Highways has been working within the department to try and provide and maintain a road system in the province, and the members opposite routinely, and again almost daily, and we just had a member a couple of minutes ago stand up and ask that more money be spent on the roads in his community. Do they ever tell us how we should be getting that additional amount of revenue to provide for that without increasing the deficit? Never a word, never a word.

The Member for Brandon West, on Health expenditures, he wants us to tell hospital boards that the budgets that they provide to the Province of Manitoba for the operation of their facilities don't matter, and when they overspend that we should just write out more cheques and send them on. What kind of local responsibility is that putting on the members opposite?

We have talk of free trade by the last person who spoke. It's going to be a salvation for our country. Yet they totally close their eyes to the fact that in south of the border they're in more of a protectionist mood than they have been since the last talks of reciprocity back in the days of Macdonald and Laurier. And do we hear any of them even recognizing that fact today? No.

And do we see them addressing the issue of how dangerous it is for a smaller economy to tie itself holus-bolus to one other nation, but how much difficulty we would have in keeping any kind of economic, let alone political, independence when you are tied in an economic union in essence with the giant next door?

Do they talk at all, and do they give any condemnation of the recent protectionist measure on the fibres

agreement which does one particular thing in protecting the fibre industries in North America but condemning those industries in the Third World where those countries need to grow as well we need to grow if we're going to have any kind of world prosperity? But anytime that they become to develop a niche for industrial development, our neighbours to the south, and sadly ourselves, and through our national government, join in hand-in-hand to try and keep those Third World countries from being able to develop.

One other particular item that the Member for La Verendry mentioned, and he talked about question period and the members on this side of the House raising questions. Well, in my constituency, when I have a school board in this city playing games with the construction of schools and delaying with the construction of schools after they had commitments for the provision of day care spaces and the province covering the whole cost of that, and they start playing games in the final planning stages after having given commitments earlier, if they think that I do not have a responsibility to raise in my seat, to stand in my place and to talk about that in this House and to put additional pressures on my colleagues, who are the Ministers responsible in Education and Community Services, to be able to address those issues, I would be shirking my responsibilities as a member representing the constituents of Inkster.

The same thing with the other members on this side raising legitimate questions about issues in their constituency, be it in the Port of Churchill, be it in regard to airport cutbacks, servicing rural Manitobans, servicing the North in particular, especially when Mulroney pours tens of millions of dollars into his home constituency doing exactly the opposite to what they're doing here in Manitoba, be it in Brandon, or be it in one of our northern communities.

We have attempted to offer and we have, I think, proven our case in being able to get through all of our legislation that we have planned for this year. Every bill, I believe, has been passed. Is anything left on the table at all? No, that's responsible government in putting forward a platform and moving with that platform to the succession of the Session, and we've been able to do that. The legislation is good and responsible legislation providing for important issues facing Manitobans on a daily basis. We won't stand back one little bit from the record that we have developed in this government to say that any kind of errors or any kind of areas in particular that have gone off without government authority and committed expenditures which may be deemed irresponsible does not lay any responsibility on the government itself. We move to correct those issues whenever we find them and we move expeditiously rather than taking years like the members opposite in the proposed solutions that they would take.

So I'm proud of the record that we have had in this Session of the Legislature and it's been tough with the numbers in the House as close as they are. It's been tough but we have succeeded. We not only have succeeded but we've succeeded in grand style.

I would like to thank you, Mr. Deputy Speaker, for a few minutes to address these concerns in response to the speech of the member opposite.

Thank you very much.

MR. DEPUTY SPEAKER: The Member for Morris.

MR. C. MANNESS: I feel compelled to rise after the most inspiring speech.

Mr. Deputy Speaker, it behooves all members of this House, quite frankly, to ask a few questions on Bill No. 50 which seeks loan authority for \$1.2 billion. Mr. Deputy Speaker, I'm sorry I have to inject a note of seriousness, but I think it's important that the Minister of Finance provides us . . . I'm getting nervous, Mr. Deputy Speaker; I hear paper being torn. The Minister has provided some detail in the copy of the notes for committee, Second Reading notes. However, I'd like to ask him some specific questions. Does he have staff available or can he answer them at this time? - (Interjection)- Well, fine.

Mr. Deputy Speaker, I'd like to ask, firstly, the Manitoba Jobs Fund is to be given authority of - (Interjection)- that's right. Mr. Deputy Speaker, I know that the Jobs Fund was covered in the Estimates yesterday, however . . .

MR. CHAIRMAN: Let's be serious now gentlemen. This is a House of Assembly.

MR. C. MANNESS: . . . we're being asked to grant loan authority of \$40 million. I'd ask the Minister in what time period will this be used and, secondly, is this all for loans that will be lent out under the Jobs Fund Program and then have to be paid back?

MR. CHAIRMAN: The Honourable Minister of Trade and Technology.

HON. V. SCHROEDER: Thank you, Mr. Chairman.

There is a variety of programs under which those loans are made. As an example, there's a portion of it, I believe, it's approximately 10 million. If the Minister of Finance has the specifics; there's one for the development agreement; there's a number of other specific items and some of them, even within the development agreement not all of them are repayable - some of them are repayable without interest; some of them are repayable if certain events do not occur, and so on.

In terms of when we expect to expend the money - generally, most of that money would flow during the fiscal year, but not necessarily all of it as the member is aware.

MR. C. MANNESS: Mr. Chairman, I would ask the Minister responsible for Manfor, there is an allocation here of \$13.5 million for loan authority, will this be covered for writing off losses, or will it be in place for further expansion or further programs directed toward the longevity of that particular Crown corporation? - (Interjection)- Mr. Chairman, I'll wait then for the answer for that.

I will ask then the Minister in charge of Manitoba Properties Incorporated, because we now have a loan authority item here of \$37.5 million. I believe in the notes, 12.5 million was to be directed toward construction of buildings this year; 20 million of this authority is to be carried into another year. I ask the Minister in charge of Manitoba Properties Incorporated

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when that additional 20 million will be used? Will it be used in the next fiscal year? Will it be directed solely to the erection of buildings?

MR. CHAIRMAN: The Minister of Transportation and Highways.

HON. J. PLOHMAN: Mr. Chairman, the breakdown of the 37.5 million is: 12.5 million for cash requirements for '86-87, and 25 million for future requirements, which includes 400,000 for the existing Law Courts Building; 400,000 for the Land Titles renovation; 800,000 for the Manitoba Development Centre of Physical Activity Vocational Training Building at Portage la Prairie; and 21,300,000 for the new Remand Centre; 800,000 for the W.M. Ward Lab; and 1,300,000 for the Valleyview Building in Brandon. So, that comes to \$25 million for future requirements as outlined on those major projects.

They should be flowed partly next year and partly about two years after that, especially with regard to the Remand Centre.

MR. C. MANNES: Mr. Chairman, I thank the Minister for that complete answer. Hopefully, the other Ministers in addressing items under purview or under their responsibility will also give me answers like that.

The Minister in charge of Energy Conservation Loan Fund, maybe that Minister can tell me why \$50 million is being requested at this time and, furthermore, maybe he can tell me how much of that will be taken up during this fiscal year and, therefore, what will be carried into the next '87-88 year?

SOME HONOURABLE MEMBERS: Oh, oh!

MR. CHAIRMAN: The Minister of Energy and Mines.

HON. W. PARASIUK: I'm sorry that I lost my temper with the silly little man in this House, and I'd rather deal with the question raised by the Member for Morris. Yes, he raises it sincerely, I certainly want to answer it.

Earlier this year, an announcement was made about the \$50 million conservation program. It's an expansion of the CHEC Program, which has been, I think, very successful with respect to residential and Business CHEC and community-oriented CHEC. It'll be basically switching more from a grant program to a loan program. We think that there is a demand within society for that.

That program has some regulations that are being changed. There is some translation aspects involved to that. I would expect that would be completed within the next month and a half, and then the program would flow. I think a lot of work has been done with groups who have been interested in the program who have been in contact with various companies that are involved in energy conservation.

Discussions, I gather, have been held with departmental staff over the summer. I would expect that the program would be fully under way about the middle of October into the end of October, and I would think that only a portion of that would be flowing this year, but it is the loan fund which would probably be spending something in the order of about \$15 million a year, but it is a long-term commitment in place and

a lot will depend on the response of groups like school groups, community groups, non-profit corporations, business groups and residential groups.

MR. C. MANNES: Mr. Chairman, the Minister in charge of Manfor maybe now can answer my question with respect to the \$13.5 million. Indeed, is that all to be directed to covering some of the losses associated with Manfor, or is this for further expansion over this coming year or years to follow?

MR. CHAIRMAN: The Minister responsible for Manfor.

HON. J. STORIE: Yes, Mr. Chairperson, the answer to that question is both - perhaps I can just provide some detail.

The 13.5 million additional capital being requested is for the remainder of fiscal year 1986 and the 1987 fiscal year - Manfor's fiscal year - and it's broken down as follows:

For operations, which would be loss provisions, 2.1 million in 1986, 2.9 million in 1987 for a total of \$5 million; capital requirements for continued development, roadwork, major equipment, \$6.3 million in 1986, and \$8.5 million in 1987; the total requirement for both operations and capital is some \$19.8; capital already available to Manfor is \$6.3 million - leaving the estimated \$3.5 million to meet the requirements of Manfor through 1987.

MR. C. MANNES: Mr. Chairman, the Manitoba Hydro-Electric Board has requested \$940 million of loan authority. Can the Minister of Energy tell me how much of this will be uptaken in this present fiscal year and, indeed, is this the total funding required by Limestone, or will there be additional loan authority required next year?

HON. W. PARASIUK: I don't think it'll be the complete loan authority required for Limestone, but all of it will not be spent this year, but you do need the loan authority in order to make commitments. I would think that it would probably deal with about 80 to 90 percent of the development, but I'm sorry, I don't have information at my disposal right now, but I would think it would be in that range. I could certainly undertake to provide that information to the member.

MR. C. MANNES: Well, I'll accept the Minister's undertaking to provide me that information.

HON. W. PARASIUK: I've been informed by the Minister of Finance that it will be the total commitment for Limestone, \$40 million this year, plus the amount last year, which would be taking it into the order of about \$1.9 billion.

MR. C. MANNES: Mr. Chairman, I asked the Minister in charge of the Small Business Loans Fund whether she can provide us now with the criteria that will be put into place to satisfy this program and which will allow us to support the Loan Authority that she's seeking under this particular election promise of hers. Can she tell us now how successful applicants will be chosen and provide us with a list of criteria under her program?

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MR. CHAIRMAN: The Minister of Tourism and Business Development.

HON. M. HEMPHILL: Thank You, Mr. Chairman.

As I mentioned previously when the question came up about the criteria, we're doing a lot of consulting with the business sector on all of our programs: the Small Business Loans Program; the Manufacturing Program, and those consultation sessions are still under way. We've had a number of them.

We have come to completion with the consultation on the Manufacturing Program and have been able to make very, very significant changes in the program based on the information and suggestions and recommendations made to us by the manufacturing industry. We are still in the process of doing this with the small business Loan Authority and as the Member for Sturgeon Creek mentioned, we're providing criteria in developing a program that's not just a \$10 million program, but a \$50 million program. As I said, we want to make sure that we're developing the program so that it's a good one and it meets the needs of the industry.

We're hoping that it will assist somewhere between 300 and 500 new or established firms in areas of the economy which are going to offer the best opportunities for long-term economic strength and permanent jobs. The program details have not been finalized but are going to revolve around three main thrusts: one will be a business loan program, community initiative program and rural investment program. But the details of those programs are still being discussed with the industry.

MR. C. MANNESS: Mr. Chairman, can the Minister give us one reason why we should support the granting of funds under this item when we don't even know for what purpose they will be directed? Mr. Chairman, that we've now over the last four months asked the Minister to give us the criteria associated with the program. She's had an opportunity over the last two months since we considered Loan Act No. 1 to develop this criteria and put into place the program.

Mr. Chairman, how long do we have to sit and wait for the development of her program to come into being? Surely it's only fair to members of the House from whom she's seeking unanimous support for her program, surely it must be incumbent upon her to bring something more to the House than just a statement that it's a good program.

Mr. Chairman, I would hope that the Minister would see fit to tell us why we should support this other than the reasons she has given, which are not acceptable at this point.

HON. M. HEMPHILL: Mr. Chairman, I'm sure that the Member for Morris, while he's anxious to hear the program criteria, doesn't want us to bring a program in without full consultation with the business sector and private industry.

One of the criticisms that we constantly get is that we're bringing in programs that were removed from the business sector or from understanding or bringing in programs that suit their needs and we're now taking the time to do that.- (Interjection)- I was just reminded

by my colleague that one of the other programs that was announced in this House, there was great concern across the way about it getting off the ground. As we all remember, we had one of our colleagues named after the program, Main Street Pete, and it was slow getting going. It was slow getting going, but it was an excellent program once we got it established and it was worth waiting and worth developing it properly.

So I think the program that we're bringing in for the business community is very, very important for the business community and we know how important we all think small business is to our economy. So we want to take the time that we need and that they need to consider the program. I'm sure, rather than have us bring it in too quickly, not have it suit the needs of the business community, he would rather that we took the time and were able to get the input that we have been able to get from the manufacturing sector.

The other thing we have to realize is that there are a number of programs that are being developed and it takes time to bring them in. The manufacturing sector consultation is completed now and has gone exceptionally well. We've had very, very good suggestions that have got us altering the program significantly. It's going to be just as important that we complete that process with the small business loan fund and I'm sure the members opposite want us to bring in a good program.

MR. C. MANNESS: Mr. Chairman, a question to the Minister of Finance. He's seeking authority of \$1.2 billion roughly. How much of this total will be expended this year and how much, therefore, will be carried over into other years?

MR. CHAIRMAN: The Honourable Minister of Finance.

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

I can't give you a precise figure. I think some of it has been provided to you as we've gone through. As an example, the Energy Conservation Fund is basically a fund that will be available for a five-year period.

The Tourism Agreement as it states there is a loan commitment of \$8 million for the length of that program which runs from up to and including 1990.

The Hazardous Waste Corporation, some of that will go beyond this year because it's the capitalization of that new Crown corporation.

There may be some of the Jobs Fund that carries over into next year. It would probably be a small amount. Last year, there is an amount I think of about \$4 or \$5 million of that previous authority that is available still this year for the Manitoba Jobs Fund.

I guess the other area where there may be some - well, a couple of other areas where there are funds going beyond this year - one is Limestone, because that is, as the Minister of Energy and Mines indicated, the final and full commitment for that project and that will be flowing over a number of years yet before that project is completed. There may also be some small amounts in the Manitoba Ag Credit Corporation that will go beyond this year and also in the housing area.

MR. C. MANNESS: Mr. Chairman, the government this year has to go to the market for roughly \$1.4 billion.

That's what they told us. Will, in fact, the government be borrowing \$1.4 billion, or because of some of the explanations given to us, the fact that some of this money will not be used this year, will the government be going to the market for less than \$1.4 billion?

HON. E. KOSTYRA: I can't give the precise figure because the borrowing relates to the actual cash requirements that are needed at a particular point in time.

There is some authority that carries over from previous years that has not been fully exercised with respect to the various areas that has been voted on previously. In some cases, there is authority going back a number of years - that's not unusual - in fact, it's a normal practice. So the borrowing is done on the actual cash requirements which may equate to something at that level or something lower depending on the uptake on the various areas that are covered by the need for capital, in this bill, the first bill and other capital authority which has not as of this date been fully utilized; also the general borrowing requirements of government for the budgetary requirement.

MR. C. MANNES: Mr. Chairman, a final question on Bill 50 for me.- (Interjection)- it's \$1.2 billion. Maybe you're in a rush. It's to do specifically with the speaking notes, where the government gives itself the authority to raise up to \$100 million for any purpose that the Cabinet so chooses - that was on Page 1 of the speaking notes. Secondly, and lastly, in many of the bills, it talks about an area - and maybe I've mixed it up with the other bill where the government gives themselves \$700 million of authority which they can carry forward.

First of all, with respect to the \$100 million, can the Minister tell me why this is in the bill. He says it happened in 1985, but why do they have authority beyond the 1.2 billion that we're considering tonight?

HON. E. KOSTRYA: Again, that is something that has been the case for a number of years and that's to deal with any situations which may arise with respect to the need for Loan Authority when the House is not Session, in a similar fashion exists with respect to the ability for Special Warrant.

I might add, and I don't have the relevant section of the Act, but there is a requirement for reporting of any of those funds that are advanced through that portion of the bill. I don't know if the member will recall, but earlier this Session I tabled a report, I believe it was under The Financial Administration Act, which relates to this, which shows any borrowing that is done under this so-called contingency requirement here. So that is reported back to the Legislature where that need is utilized.

The second question related to . . .

MR. C. MANNES: It's in the other bill.

HON. E. KOSTYRA: Oh, I'm sorry.

MR. C. MANNES: Mr. Chairman, just a final commentary. I can't help but notice when we're granting authority of \$1.2 billion tonight, that roughly \$5 million of that is directed towards agriculture. Members opposite would have us believe that they're doing great things and they're directing a disproportionate share

of funding towards the agricultural community. Yet one can't help but notice within this schedule, Mr. Chairman, the amount of funds that are directed towards agriculture, 5 million out of 1.2 billion.

Secondly, Mr. Chairman, and lastly, it's my observation that the government is requesting more and more authority and yet not spending during the fiscal year in which it's requested, telling me that they're sort of banking it, sort of passing it and keeping it there in case it's needed.

Mr. Chairman, I don't know the rules of finance, but I do know that the Economic Development Corporation in the respect of Flyer Bus used loan authorities which were granted in 1973 and 1974 in Order-in-Council. I wonder whether it's proper to have hanging around this loan authority to be used, in some cases, 10 years hence. I ask the Minister whether or not he is presenting to us a schedule requesting loan authority far beyond which may be needed this year. I'm glad to hear that in a sense, but nevertheless, I question the wisdom of having authority available to Crown corporations, to be used at their disposal, almost anytime in the future.

HON. E. KOSTYRA: With respect to the Member for Morris's first comments, he failed to mention and to elaborate with respect to loan authority with respect to the Manitoba Agricultural Credit Corporation, because he knows fully well in the first loan bill that we dealt with, we dealt with significant funds from loan authority with respect to agriculture. There was an additional \$7.5 million to the Manitoba Agricultural Credit Corporation. There was another additional 16.6 going to the Manitoba Beef Stabilization Program.

I don't want to get off the area of the bill before us, but I need not remind members of what is falling in the bill next, Bill 51, with respect to budgetary funds that are going towards agriculture; the highest increase of any department and the greatest amount that's been spent. I don't want to go over ground which my colleague, the Minister of Agriculture, did very well in his closing comments on Bill 4, but let the record be clear, Mr. Chairman, that this government has committed significant resources with respect to agriculture and our rural communities.

The practice with respect to authority carrying on is one of long-standing as far as I know. Whether or not we should review that in terms of having some date definitive in terms of when that authority may lapse is something that I would be certainly willing to review. But in many cases what you do is you put the authority in place for the specific project and that commitment is there for a multi-year period to correspond with those particular projects. But in terms of having it go indefinitely, maybe that's something that should be reviewed and there would be some set provisions that authority would lapse and have to be revoked after a period of time. To do it after one year, I do not think would be prudent planning with respect to the use of capital funds, but some period over that may be something that could be considered.

MR. CHAIRMAN: Bill 50, Bill-by-bill—pass.

BILL 51 - THE APPROPRIATION ACT, 1986

MR. CHAIRMAN: Bill 51. Bill-by-Bill - the Member for Morris.

MR. C. MANNES: Mr. Chairman, we've had an opportunity to debate and question and argue, in some cases, the full length the Main Estimates, but for the record one can't help notice that expenditures of this government are increasing 6.9 percent over last year. One can't help but notice that the interest portion of expenditures are now roughly 10.9, 11 percent.

Mr. Chairman, one remembers the night that the Budget was brought down by the Minister of Finance - it was dropped, literally dropped like a bombshell. Mr. Chairman, one can't forget that night when the Minister used the new economist term where "per capita debt" increasing or decreasing as a province showed us in a more favourable light than any other province. Of course that troubled me. It troubled me first of all because it was a new indicator I had never heard before; and secondly, some brilliant new graduate of the school of economics must have spent some time developing it.

But furthermore, when one realizes what the person did, whoever developed it, and what the Minister used, the point he was trying to get across was the fact that Manitoba, on that scale of measurement was actually in a debt situation relatively well-off compared to the other provincial provinces. Of course, Mr. Chairman, what this government tried to do and what we've caught them doing over the past two years, is they ignored putting in the Manitoba Properties leaseback portion, which in fact is an interest rate charge. When one brings that into the equation, one can see that on whatever scale they want to use, that our interest costs, as a province, are certainly up there with some of the highest in the land.

The Minister of Finance uses Ontario as the benchmark. They are somewhere or a little bit over 11 percent, Mr. Chairman, and falling. We're at 10.9, 11 percent and increasing. It will be interesting to see where we stand, what percent of our expenditure is directed towards interest costs, how that number will probably certainly increase in the next Budget that's laid before us.

Mr. Chairman, we've had laid before us, too, in the last three weeks, the First Quarter Report indicating that the first-quarter deficit was indeed \$27 million more than planned. Mr. Chairman, I say that when one looks over the last five-year experience, that represents close to a \$50 million swing. I think it's incumbent upon the Minister of Finance, Mr. Chairman, some time before we come back into Session, that he lays before the people of the province an indication of where we stand economically.

Mr. Chairman, we've called for a long-range plan over and over again, speech after speech. We don't believe, quite frankly, that this Minister and this government is going to give us one, but at least they can tell us, after the Second Quarter Report has been laid before, they can give us a detailed accounting of where this province stands fiscally beyond the numbers presented within the report.

Mr. Chairman, these are very troubled times and it's difficult to know precisely where we stand as a province. We have one opportunity a year, it's basically during the Budget Address, to give input into the fiscal decision-making of the province.

Mr. Chairman, I see other jurisdictions, I see the Federal Minister of Finance being prepared on several

occasions in a year to discuss the latest projections of deficit and to give us a full financial accounting other than the second quarterly report, which is valuable in itself. But Mr. Chairman, we need a further elaboration and expansion of some of those numbers. The Minister of Finance could, in the Province of Manitoba, begin to set a new course if he would provide us with that detail and that further expansion.

Mr. Chairman, within all the areas of government, I think we've had a fine opportunity to find out specifically what priorities the government has in place, what new policies. We find out, for instance, in the Department of Highways, that there is no priority at all. I again, for the sake of the record, I have to say it one more time, this is not only a province of potholes anymore, the government has found an ingenious new solution to fixing potholes. Do you know what that is, Mr. Chairman? You don't put asphalt into the holes; that maybe takes too much money and maybe those holes will keep falling out. The new solution to fixing potholes is you tear the road up and you put it all in gravel so that there is no potholes. So all of a sudden, Mr. Chairman, there are no potholes. That's the new solution. And of course it's been brought about by some major restraint, so we know what the priorities are within Highways.

We've had great opportunity within the area of Education to discuss the quality of education. Firstly and secondly, public school funding. Mr. Chairman, we served notice on the Minister of Education today that he's going to have to bring into place some consistency within formula so that every school division in this province believes it's being treated fairly, and at this point, that's not happening.

The Minister of - (Interjection) - well, we have the Minister of Finance who says we never have in the past either. At least, Mr. Chairman, every school division knew that the rules that they were either gaining by or failing by were the same. They knew that the rules were the same.

Today we have three sets of rules and a division today can either fall off by being prudent or against that as a formula by overspending. So hopefully next session when the Minister has had one full year to undo some of the terrible things that were left to him by the former Minister of Education, he'll present to us a new system of education finance that will give all members of the House and indeed all members of the public some confidence that this government knows where it's going in a financial sense.

Mr. Chairman, I feel sorry for the Minister of Health. I know this year, I'm told that he had a spending increase of 6.5 percent within his department, \$73 million, and yet the Minister of Health realizes fully the seriousness of the fiscal situation, not only in this province, but within this nation. I've heard him at one time plead with us and plead with anybody that'll listen, that we have to at this point in time bring reason to bear within the area of health spending and yet in the same breath, I've heard him start to scream at the Federal Government because in his view they've cut back transfer payments in support of health spending. Mr.

Chairman, how does the Minister of Health, and indeed anybody that's interested in health spending, justify a 6.5 percent increase on one hand and yet on the other hand say we have to have more and more beyond that? So I say let's join the Minister of Health in his serious moments when he's asking all of us to try and find a solution to this problem other than more spending. I say let all of us try and support him and indeed all of us who are concerned about that vital area.

Mr. Chairman, the debt in the Province of Manitoba today after this fiscal year will reach the colossal figure of \$8.4 billion and yet we seem to have no attempt to find solutions for members opposite. We have the Premier of this province now because of the labour faction within his party saying that free trade talks should be stopped cold in their tracks. I didn't believe the Prime Minister of Canada, my colleague, when he said free trade would create millions of new jobs. What it would do hopefully is secure the jobs we have. Premier Lougheed told us this three years ago.

Mr. Chairman, for the First Minister, the Premier of this province, to say that Manitoba should not be part of this process, that Canada should back away from those trades, to me is a total disregard for the working person in this province and indeed in Canada. Mr. Chairman, job after job, everywhere you look, is totally drawn from the fact that we trade with the United States. Protectionism is alive and well in that province, borne out by the article in the paper yesterday and I think it's incumbent upon this government to realize the jobs that are in place today must be protected.

Mr. Chairman, I close by reading something that I've been dying to read for some period of time. I know that the former Minister of Finance particularly will enjoy this. Mr. Chairman, this is a letter dated December, 1983.

It says: "Dear Fellow Manitoban: You hate it when politicians wriggle away from tough problems and pass the buck. I don't blame you. As citizens we all help choose our government and we expect it to really deal with problems, not duck them. The government of Premier Howard Pawley is managing Manitoba's problems . . . "That's all underlined - "not evading them . . ." This is in 1983, Mr. Chairman. ". . . and the problems have been big ones inherited from the previous administration which hope those needs and challenges could be swept under the rug and would somehow disappear. Look at the record, the government has been faced with an array of difficult problems, foreign ownership of farmland, education, unemployment, women's rights, controversy about French, abortion, investment, productivity in government."

Mr. Chairman, I continue: "There is not a government in the land that has had so many issues to manage or that is dealing with its responsibility with as much courage as the Government of Howard Pawley."

Mr. Chairman, when did that document, that ill-fated document that was released from the Cabinet where the government was going to back away from all controversial issues, when was it released? September, 1983. Well, Mr. Chairman, I guess that document didn't reach one Charles Bigelow, President of the NDP Party when he sent this fund-raiser request to all "dear fellow Manitobans."

Mr. Chairman, I'm not going to look at his recovery of the record, but I am going to read his final remarks.

He said: "Why should you care about this." and he's talking about some of the accomplishments as he saw it from his point of view and I quote: "because as a Manitoba taxpayer you are paying for the government and I think you should know what you're getting.

"I think you'd also like to know what's behind the headlines and what's really going on in government. Would you like to stay in the know to be more active in the political process?" And then he goes on to request that everybody give a significant number of funds, closes off by a "P.S. As a contributor or a member, you will get a generous income tax rebate on every dollar you give." And Mr. Chairman, it struck me as interesting because this Session started by one former minister talking about legalized theft and that was the beginning of event after event after event which has proven nothing but a major embarrassment to this government.

Mr. Chairman, not at least in my five years having been here have I seen the government so totally destroyed in a Session.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. C. MANNESS: We saw the joy on their face tonight and each and every one of us knows why there is joy on their faces tonight. They see the end in sight, Mr. Chairman. They can count it down in minutes, and finally this horrible ordeal, this terrible lashing and beating that they've been administered over the last four months, this flogging, this verbal caning is coming to an end. No wonder there's joy in the NDP Party tonight.

So, Mr. Chairman, no doubt, whoever the president of their party, will be sending another letter around telling the members that they have escaped 1986, that they may come back in 1987. Maybe they will do something controversial then, because they haven't since the writing of this letter. Mr. Chairman, we will support, of course, Bill 51.

INTRODUCTION OF GUEST

MR. CHAIRMAN: Before I recognize the Minister of Finance, I wish to acknowledge the presence of the former Member for Concordia, who was a former Speaker of this House.

COMMITTEE OF THE WHOLE HOUSE

BILL NO. 51 - THE APPROPRIATION ACT, 1986 Cont'd

MR. CHAIRMAN: The Honourable Minister of Finance.

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

There's lots that I could discuss in debate that's been raised by the Member for Morris, but I think I'll limit myself to some of his late comments in his address.

First of all, does this look like a group that's been beaten and flogged to death? I've never heard anything so ridiculous in my life. In fact, I thought, when I heard the Member for Morris - and I knew what he was quoting from - and he said he was waiting for some time to read this letter out - I thought that in the disarray of members opposite, he was going to say that I am now

going to cross the floor; I'm now going to donate to the New Democratic Party. I thought that was it. I thought that was what was going to happen.

Do you know why I thought that? If you listen to the remarks of the members opposite talking about this Session, what have they talked about? They've talked about MTX. They've talked about all these other things, but what have they not talked about, Mr. Chairman? They have not talked about the economy of this province, not at all. They've not talked about the unemployment rate in this province, not at all. Why haven't they? Because that has been the success story of this government over the last five years, including this year. That's why they haven't talked about it, because they're afraid to talk about it. They know that this government on the major issues of concern to the people of this province, major economic concerns, concerns with respect to job creation, the people of this province know that this government is doing a good job. That's why members opposite have not talked about those issues.

It's only been in the last part of the Session when they've started to get the heat back home that they've started to talk about agricultural issues. Gratuitously, they're having a strike that gave them an opportunity to deal with it but, other than that, they were not talking about issues of concern, serious and problematic issues related to Manitoba agriculture. They didn't talk about that until the latter stage of the Session, once they got the message from people back home, saying why are you guys talking about MTX when there's a crisis on the farm. That's the message they were getting back home and that's why they suddenly changed their tactics in the latter stages of this Session, Mr. Chairman.

It's interesting that members opposite have not raised issues with regard to economic development, with job creation in this province, because they know that this government cannot be criticized for that. Maybe we should be criticized because there still is a way to go with respect to unemployment in this province. It's interesting that just in the latter stages, they talked about agriculture.

Let the record be very clear also that this government took action with respect to the major issues in its legislative program, all of which have been passed in Third Reading this evening.

So when they talk about this group as being a group that's been flogged and is down and that the smiles on our faces are because we're finishing this Session, the smiles on our faces are ones of content with the actions that this government has taken, both with legislation, in terms of its fiscal and in terms of its economic policy. That's why we're smiling on this side of the House.

MR. CHAIRMAN: Bill No. 51—pass; Bill be reported—pass.

Call in the Speaker.

IN SESSION

The Chairman reported that the Committee of the Whole had considered Bills No. 19, 50 and 51, respectively, and reported same without amendment.

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, I move, seconded by the Member for Inkster, that the report of the committee be received.

MOTION presented and carried.

THIRD READING

Bills No. 19, 50 and 51, by leave, were each read a third time and passed.

HOUSE BUSINESS

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: By leave, Madam Speaker, I move, seconded by the Minister of Finance, that when the House adjourns today it shall stand adjourned until a time fixed by Madam Speaker, upon the request of the government.

MOTION presented and carried.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: In speaking to the motion, for just a very few moments, I'd like to first reaffirm the commitment and the agreement of all members of this House, that the House will reconvene for the next Session on or before February 26 of next year.

I think it's important, having sat through a summer Session, that we realize this House probably functions best when we start around that time of year and try to complete our work as early as possible.

A MEMBER: That was fun.

HON. J. COWAN: As well, Madam Speaker, the ending of any Legislative Session provides the opportunity to spend just a few moments reflecting upon the Session that is about to come to a close.

I want to begin my short remarks by thanking the Opposition House Leader for his cooperation and his assistance in enabling the Legislature to conduct its work in an effective and efficient way as possible. I also want to include the Member for River Heights and indeed all members of this House for the cooperation and the assistance that they have shown in making this House work as well as it did.

That is not to say that we've always been in agreement on all of the issues or how the House should proceed or the way in which the business should be called, but the fact is that we were able to work out those disagreements. We were able to work them out in such a way so as to ensure that the Business of the House did indeed get finished. That's not always been an easy task, and it required a lot of discussion and a lot of negotiation on a daily basis and an ongoing basis. It required, on the part of all parties, a great deal of give and take.

The Opposition House Leader, the Member for River Heights and other members have always approached

those discussions with a willingness to cooperate and compromise where that compromise was required, without relinquishing their responsibility to oppose those things that they believe should be opposed by the Opposition; and without the government relinquishing its responsibility or abdicating its role of governing, where it felt that government must act in a positive way.

I want to pay those members that I have singled out, but in most instances, all members, two very high compliments. Firstly, they have always honoured their word, and this House will not function if we don't always honour our words. So that is probably one of the most important criteria for a well functioning Legislature, and I hope they would agree that everyone in here has performed it with dignity and with honour.

The second compliment, which I feel is deserved by all, is a willingness to talk when issues that were difficult needed to be talked out - and I'm not talking about the debate, that's our job and our role - I'm talking about the type of dialogue that went on in an ongoing basis to resolve some very difficult problems.

There's an impression with some that this has been a long Session and it's easy to understand because we've gone through the summer and we don't usually go through the summer and people don't expect to see us sitting here, so they feel we've sat here for a very long time. But the fact is that this has been a shorter than average sitting at which time we fulfilled our entire legislative package, which was a little bit larger than average legislative package; and that is something that does not usually happen in this House, that all of the bills that a government brings forward go forward right through to Third Reading. With the exception of one bill, which was not called for Second Reading because of a mistake in the title, every bill that this government brought forward during this Session has been completed this evening.

I think that's because, in large part, those bills and that legislative package reflected the needs and the aspirations of ordinary Manitobans and it was well thought out and carefully crafted. We've heard a lot of discussion, and not wishing to provoke debate, but wishing to make a point, we have heard a lot of discussion about the competency of this government, but this government has been able to bring forward a legislative package that was so well tuned to the needs and aspirations of ordinary Manitobans that every piece of it made it through this Legislature, including those bills which will serve farmers, consumers, pensioners, working people, ordinary Manitobans and we're very proud of that accomplishment.

We've been able to negotiate rules, changes to the Session, which we believe will aid both Opposition and government in making this House more effective, and I want to thank Opposition members and, particularly, the Opposition House Leader, their caucus Chair, their Whip and our own Whip in caucus Chair for their involvement in making certain that those rules reflected the needs of the different caucuses and will, in fact, provide for a better functioning Opposition in government and a better functioning House.

One regret though, Madam Speaker, in this Session, and that is that we could not have done more collectively, and we all must assume some responsibility, each and every one of us. We could not have done

more collectively to bring about a bit more decorum to this House. If there is a commitment that we can make for the next Session, I believe that commitment is to work together to try to bring about that decorum in this House, because I think it reflects badly on us and I think we're doing important work here, work on behalf of the public.

I believe that they should feed confidence in us and I don't believe that they can feel that full confidence until that decorum is present. So if there's one minor regret in the last Session, that is it.- (Interjection)- Well, some say it's a major regret, and in fact we tried on this side very hard, and I think we succeeded in large part, in bringing about a bit more decorum.

Four more minutes. A bit more decorum is required if this House is going to function as effectively and efficiently as it can; and I believe that we are capable of that and we draw the criticism down on ourselves unnecessarily so. So I would hope that we can commit ourselves to building upon the moderate successes we've had this year, but successes nonetheless at different times during the Session in improving the decorum.

In closing, Madam Speaker, I would like to also - and I know I speak on behalf of all members of the House - thank yourself and the staff, the Pages, those who sit at the table, the Clerk, the Deputy Clerk, the Sergeant-at-Arms, those who sit at the table and help us every day in trying to make this House work as well as it can, those who have to listen to our words and press the right buttons at the right time and record them, and those perhaps who have the most onerous task, who have to listen to them over and over again in order to put them into the format that is required for Hansard. And, of course, all the staff who helped the different caucuses do the work that caucuses must do in order to govern well and in order to oppose well and in order to represent their constituencies.

So with those words, Madam Speaker, I wish to thank you and all for what I think has been a fairly positive Session, certainly from a legislative package standpoint, certainly from the rules changes standpoint, and certainly from the development of a relationship through negotiations and discussions between the Opposition and the government and the Member for River Heights, which makes this place function on behalf of all the people who elected us to serve them.

MOTION presented and carried.

MADAM SPEAKER: It's my understanding that the Lieutenant-Governor is expected momentarily.

ROYAL ASSENT

DEPUTY SERGEANT-AT-ARMS, R. McGillivray: Her Honour, the Lieutenant-Governor.

Her Honour, Pearl McGonigal, Lieutenant-Governor of the Province of Manitoba, entered the House, and was seated on the Throne:

Madam Speaker addressed Her Honour in the following words:

MADAM SPEAKER: May it please your Honour:

Wednesday, 10 September, 1986

The Legislative Assembly, at its present Session, passed Bills, which in the name of the Assembly, I present to your Honour and to which Bills I respectfully request Your Honour's Assent:

- No. 3 - The Credit Unions and Caisses Populaires Act; Loi sur les caisses populaires et les credit unions.
- No. 4 - The Family Farm Protection Act; Loi sur la protection des exploitations agricoles familiales.
- No. 5 - An Act to amend The Trade Practices Inquiry Act; Loi modifiant la Loi sur les enquetes relatives aux pratiques de commerce.
- No. 8 - An Act to amend The Real Estate Brokers Act; Loi modifiant la Loi sur les courtiers en immeubles.
- No. 9 - An Act to amend The Public Schools Act; Loi modifiant la Loi sur les écoles publiques.
- No. 10 - The Manitoba Hazardous Waste Management Corporation Act; Loi sur la Corporation manitobaine de gestion des déchets dangereux.
- No. 11 - An Act to amend The Planning Act; Loi modifiant la Loi sur l'aménagement du territoire.
- No. 12 - An Act to amend The Legislative Assembly and Executive Council Conflict of Interest Act and The Legislative Assembly Act; Loi modifiant la Loi sur les conflits d'intérêt au sein de l'Assemblée législative et du Conseil exécutif et la Loi sur l'Assemblée législative.
- No. 14 - The Manitoba Energy Foundation Act; Loi sur la Fondation manitobaine de l'énergie.
- No. 15 - An Act to amend The Highway Traffic Act; Loi modifiant le Code de la route.
- No. 16 - An Act to amend The Snowmobile Act; Loi modifiant la Loi sur les motoneiges.
- No. 17 - An Act to amend The Taxicab Act; Loi modifiant la Loi sur les taxis.
- No. 18 - The Statute Law Amendment (Elections) Act (1986); Loi de 1986 modifiant le droit statutaire en matière d'élections.
- No. 19 - The Statute Law Amendment (Taxation) Act, (1986); Loi de 1986 modifiant la législation relative à la fiscalité.
- No. 20 - The Statute Law Amendment Act (1986); Loi de 1986 modifiant le droit statutaire.
- No. 22 - An Act to amend The Agricultural Credit Corporation Act; Loi modifiant la Loi sur la Société du crédit agricole.
- No. 23 - The Charter Compliance Statute Amendment Act, 1986; Loi de 1986 modifiant diverses dispositions législatives afin d'assurer le respect de la Charte.
- No. 24 - An Act to amend The Teachers' Pensions Act; Loi modifiant la Loi sur la pension de retraite des enseignants.
- No. 25 - An Act to amend The Law Society Act; Loi modifiant la Loi sur la Société du Barreau.
- No. 26 - An Act to amend The Public Trustee Act; Loi modifiant la Loi sur le curateur public.
- No. 27 - An Act to amend The Liquor Control Act; Loi modifiant la Loi sur la réglementation des alcools.
- No. 28 - An Act to amend The Northern Affairs Act; Loi modifiant la Loi sur les Affaires du Nord.
- No. 29 - An Act to amend The Workers Compensation Act; Loi modifiant la Loi sur les accidents du travail.
- No. 30 - The Justice for Victims of Crime Act; Loi sur les droits des victimes d'actes criminels.
- No. 31 - An Act to amend The Social Allowances Act, The Municipal Act and The Mental Health Act in relation to liens; Loi modifiant la Loi sur l'aide sociale, la Loi sur les municipalités et la Loi sur la santé mentale en matière de privilèges.
- No. 32 - An Act to amend The Pension Benefits Act; Loi modifiant la Loi sur les prestations de pension.
- No. 33 - An Act to amend The Municipal Act; Loi modifiant la Loi sur les municipalités.
- No. 34 - The Constitutional Questions Act; Loi sur les questions constitutionnelles.
- No. 35 - The International Commercial Arbitration Act; Loi sur l'arbitrage commercial international.
- No. 36 - The Real Property Act and Various Other Acts Amendment Act; Loi modifiant la Loi sur les biens réels et diverses autres lois.
- No. 37 - An Act to amend The City of Winnipeg Act; Loi modifiant la Loi sur la Ville de Winnipeg.
- No. 38 - An Act to amend The Securities Act; Loi modifiant la Loi sur les valeurs mobilières.
- No. 39 - An Act to amend The Manitoba Energy Authority Act; Loi modifiant la Loi sur la Régie de l'énergie du Manitoba.
- No. 40 - An Act to amend The Corporations Act; Loi modifiant la Loi sur les corporations.
- No. 41 - An Act to amend The Private Trade-Schools Act; Loi modifiant la Loi sur les écoles de métiers privées.
- No. 42 - An Act to amend The Insurance Act and The Queen's Bench Act; Loi modifiant la Loi sur les assurances et la Loi sur la Cour du Banc de la Reine.
- No. 43 - An Act to amend The Teachers' Society Act; Loi modifiant la Loi sur l'Association des enseignants du Manitoba.
- No. 44 - The Judgment Interest and Discount Act; Loi sur les taux d'intérêt et d'actualisation des sommes allouées par jugement.

No. 45 - An Act to amend The Civil Service Superannuation Act; Loi modifiant la Loi sur la pension de la fonction publique.

No. 46 - An Act respecting The Institute of Certified Management Consultants of Manitoba; Loi sur l'Institut manitobain des conseillers en administration agréés.

No. 47 - An Act to amend an Act to provide for the establishment and maintenance of a Boys' and Girls' Band in the Town of Dauphin; Loi modifiant la Loi intitulée "An Act to provide for the establishment and maintenance of a Boys' and Girls' Band in the Town of Dauphin".

No. 48 - An Act to amend The Manitoba Municipal Secretary-Treasurers' Association Act; Loi modifiant la Loi intitulée "The Manitoba Municipal Secretary-Treasurers' Association Act".

No. 49 - An Act to incorporate The Portage District General Hospital Foundation; Loi constituant en corporation la Fondation de l'Hôpital général du district Portage.

No. 52 - The Manitoba Medical Association Fees Act; Loi sur les droits de Association Médicale du Manitoba.

No. 53 - An Act to amend The Legislative Assembly Act; Loi modifiant la Loi sur l'Assemblée législative.

No. 55 - An Act to incorporate The Royal Winnipeg Rifles Foundation; Loi constituant en corporation "The Royal Winnipeg Rifles Foundation."

No. 57 - An Act to amend The Municipal Assessment Act and The City of Winnipeg Act; Loi modifiant la Loi sur l'évaluation municipale et la Loi sur la Ville de Winnipeg.

MR. CLERK, W. Remnant: In Her Majesty's name, Her Honour the Lieutenant-Governor, doth assent to these bills.

MADAM SPEAKER: May it please Your Honour:

We, Her Majesty's most dutiful and faithful subjects, the Legislative Assembly of Manitoba in Session assembled, approach Your Honour with sentiments of

unfeigned devotion and loyalty to Her Majesty's person and Government, and beg for Your Honour the acceptance of this Bill:

No. 50 - An Act to authorize the Expenditure of Money for Capital Purposes and Authorize the Borrowing of the Same (2); Loi autorisant des dépenses en capital et l'emprunt des sommes requises à cette fin (2).

MR. CLERK: Her Honour the Lieutenant-Governor doth thank Her Majesty's dutiful and loyal subjects, accepts their benevolence and assents to this bill in Her Majesty's name.

MADAM SPEAKER: May it please Your Honour:

We, Her Majesty's most dutiful and faithful subjects, the Legislative Assembly of Manitoba in Session assembled, approach Your Honour with sentiments of unfeigned devotion and loyalty to Her Majesty's person and Government, and beg for Your Honour the acceptance of this Bill:

No. 51 - An Act for granting to Her Majesty certain sums of money for the fiscal year ending March 31, 1987 and to authorize commitments to expend additional money in subsequent years and to authorize the borrowing of funds to provide for cash requirements of the government; Loi allouant à Sa Majesté certaines sommes d'argent pour l'année financière se terminant le 31 mars 1987, et autorisant le gouvernement à engager des dépenses pour les années subséquentes et à faire les emprunts requis pour subvenir à ses besoins de fonds.

MR. CLERK: Her Honour the Lieutenant-Governor doth thank Her Majesty's dutiful and loyal subjects, accepts their benevolence and assents to this bill in Her Majesty's name.

Her Honour was then pleased to retire.

(GOD SAVE THE QUEEN WAS SUNG)

MADAM SPEAKER: If there is no further business to come before the House, this House is adjourned and will stand adjourned until future notice.



PROVINCE OF MANITOBA

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No. 7

PROCLAMATION

“George Johnson”
Lieutenant-Governor.

CANADA—
PROVINCE OF MANITOBA

ELIZABETH THE SECOND, by the Grace of God of The United Kingdom, Canada and Her other Realms and Territories QUEEN, Head of the Commonwealth, Defender of the Faith.

A PROCLAMATION

TO OUR BELOVED AND FAITHFUL the Members elected to serve in the Legislative Assembly of Our Province of Manitoba, and to each and every of you — GREETING:

WHEREAS The Legislative Assembly of the Province of Manitoba now stands adjourned;

AND WHEREAS it is deemed appropriate to request His Honour the Lieutenant-Governor by a Royal Proclamation effective on the twenty-fifth day of February, 1987, to prorogue the First Session of the Thirty-Third Legislature of the Province of Manitoba and to summon the said Legislature for the dispatch of business on the twenty-sixth day of February, 1987;

NOW KNOW YE THAT, for divers causes and consideration, and taking into consideration the ease and convenience of Our loving subjects, We have thought fit, by and with the advice and consent of Our Executive Council of Our Province of Manitoba, to hereby prorogue the First Session of the Thirty-Third Legislature of the Province of Manitoba effective, Wednesday, the twenty-fifth day of February, 1987, and to convene the Second Session of the Thirty-Third Legislature of the Province of Manitoba on Thursday, the twenty-sixth day of February, 1987, at the hour of 1:30 o'clock in the afternoon, FOR THE DIS-

“George Johnson”
Lieutenant-gouverneur

CANADA
PROVINCE DU MANITOBA

ELIZABETH II, par la grâce de Dieu, REINE du Royaume-Uni, du Canada et de ses autres royaumes et territoires. Chef du Commonwealth, Défenseur de la Foi.

PROCLAMATION

A NOS BIEN-AIMÉS ET FIDÈLES Députés élus à l'Assemblée législative de Notre province du Manitoba, et à chacun d'entre vous, SALUT.

ATTENDU QUE l'Assemblée législative du Manitoba est actuellement ajournée;

ET ATTENDU QU'il est jugé opportun de prier le lieutenant-gouverneur de clore la première session de la trente-troisième législature le vingt-cinq février 1987 et de convoquer la Législature pour la reprise des travaux le vingt-six février 1987 en lançant une proclamation à ces fins;

SACHEZ DONC MAINTENANT QUE, pour divers motifs et de l'intérêt de Nos aimés sujets, Nous avons jugé à-propos, sur l'avis et du consentement de Notre Conseil exécutif pour la province du Manitoba, par les présentes de clore la première session de la trente-troisième législature le mercredi vingt-cinq février 1987 et de vous convoquer à l'ouverture de la deuxième session de la trente-troisième législature le jeudi vingt-six février 1987, à treize heures trente, en Notre Assemblée législative pour la province du Manitoba, en Notre Ville de Winnipeg, POUR LA REPRISE DES

PATCH OF BUSINESS, in Our Legislative Assembly of Our Province of Manitoba, in Our City of Winnipeg, there to take into consideration the state and welfare of Our said Province of Manitoba and therein to do as may seem necessary.

HEREIN FAIL NOT.

IN TESTIMONY WHEREOF We have caused these Our Letters to be made Patent, and the Great Seal of Our Province of Manitoba to be hereunto affixed;

WITNESS, His Honour George Johnson, Lieutenant-Governor of Our said Province of Manitoba;

AT OUR GOVERNMENT HOUSE, at Our City of Winnipeg, in the Province of Manitoba, this twenty-eighth day of January, in the year of Our Lord one thousand nine hundred and eighty-seven, and in the thirty-fifth year of Our Reign.

BY COMMAND,

“ROLAND PENNER”,
Attorney-General.

—7

TRAVAUX, ce afin de porter votre attention sur l'état et le bien-être de ladite province et de poser les actes approuvés.

CE A QUOI VOUS NE DEVEZ FAILLIR.

EN FOI DE QUOI Nous avons fait délivrer les présentes Lettres patentes et à icelles fait apposer le Grand Sceau de Notre province du Manitoba.

TEMOIN: Son Honneur George Johnson, lieutenant-gouverneur de Notre province du Manitoba.

EN NOTRE PALAIS DU GOUVERNEMENT, en Notre Ville de Winnipeg, dans la province du Manitoba, ce vingt-huitième jour de janvier, l'an de grâce mil neuf cent quatre-vingt-sept, dans la trente-cinquième année de Notre Règne.

PAR ORDRE,

“ROLAND PENNER”
Le procureur général.

—7

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