



First Session — Thirty-Fourth Legislature
of the
Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS
(HANSARD)

37 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fourth Legislature

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	LIBERAL
ANGUS, John	St. Norbert	LIBERAL
ASHTON, Steve	Thompson	NDP
BURRELL, Parker	Swan River	PC
CARR, James	Fort Rouge	LIBERAL
CARSTAIRS, Sharon	River Heights	LIBERAL
CHARLES, Gwen	Selkirk	LIBERAL
CHEEMA, Gulzar	Kildonan	LIBERAL
CHORNOPYSKI, William	Burrows	LIBERAL
CONNERY, Edward Hon.	Portage la Prairie	PC
COWAN, Jay	Churchill	NDP
CUMMINGS, Glen, Hon.	Ste. Rose du Lac	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DOER, Gary	Concordia	NDP
DOWNEY, James Hon.	Arthur	PC
DRIEDGER, Albert, Hon.	Emerson	PC
DRIEDGER, Herald, L.	Niakwa	LIBERAL
DUCHARME, Gerald, Hon.	Riel	PC
EDWARDS, Paul	St. James	LIBERAL
ENNS, Harry	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Laurie	Fort Garry	LIBERAL
EVANS, Leonard	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen Hon.	Virten	PC
GAUDRY, Neil	St. Boniface	LIBERAL
GILLESHAMMER, Harold	Minnedosa	PC
GRAY, Avis	Ellice	LIBERAL
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Harry	The Pas	NDP
HARPER, Elijah	Rupertsland	NDP
HELWER, Edward R.	Gimli	PC
HEMPHILL, Maureen	Logan	NDP
KOZAK, Richard, J.	Transcona	LIBERAL
LAMOUREUX, Kevin, M.	Inkster	LIBERAL
MALOWAY, Jim	Elmwood	NDP
MANDRAKE, Ed	Assiniboia	LIBERAL
MANNES, Clayton, Hon.	Morris	PC
McCRAE, James Hon.	Brandon West	PC
MINENKO, Mark	Seven Oaks	LIBERAL
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
OLESON, Charlotte Hon.	Gladstone	PC
ORCHARD, Donald Hon.	Pembina	PC
PANKRATZ, Helmut	La Verendrye	PC
PATTERSON, Allan	Radisson	LIBERAL
PENNER, Jack, Hon.	Rhineland	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren	Lac du Bonnet	PC
ROCAN, Denis, Hon.	Turtle Mountain	PC
ROCH, Gilles	Springfield	PC
ROSE, Bob	St. Vital	LIBERAL
STORIE, Jerry	Flin Flon	NDP
TAYLOR, Harold	Wolseley	LIBERAL
URUSKI, Bill	Interlake	NDP
WASYLYCIA-LEIS, Judy	St. Johns	NDP
YEO, Iva	Sturgeon Creek	LIBERAL

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, September 6, 1988.

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

SPEAKER'S STATEMENT

Mr. Speaker: I have a statement to make to the House.

I must advise all Honourable Members that due to technical problems being encountered by the firm which typesets Hansard, we are experiencing delays with the printing of that document. Replacement parts for the typesetter's telecommunications equipment are on order from their supplier. Consequently, the Hansards from last Tuesday to Friday, inclusive, are not yet available in printed form.

In order to accommodate Members, a preliminary Hansard in the same format as the daily Question Period printout is being produced for each of these days and will be distributed to Members in the House today. It is expected that the problem will be corrected shortly and normal production will then be resumed.

In the interval, Members will be provided daily with a preliminary Hansard.

Hon. Charlotte Oleson (Minister of Community Services): Mr. Speaker, I have a ministerial statement, but may I have leave of the House to wait until after Question Period because I do not have the copies for the other Members?

Mr. Speaker: Does the Honourable Member have leave? (Agreed)

INTRODUCTION OF GUESTS

Mr. Speaker: Before proceeding to oral questions, I would like to draw all Honourable Members' attention to the Speaker's gallery where we have with us today Mr. Dave Barrett, the former Premier of British Columbia.

On behalf of all Honourable Members, we welcome you here this afternoon.

* (1335)

ORAL QUESTION PERIOD

Manfor Ltd. Native Board Replacements

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, my question is to the Minister responsible for Manfor (Mr. Ernst).

On Friday, I asked the Minister responsible to explain why there were no Natives appointed to the Manfor

Board of Directors. In his reply—and I made sure to check it because I did not quite believe my ears on Friday—he said: "I was not able to find a top-notch person, Native."

If business expertise was, indeed, what the Minister was concerned about in appointing the new Board of Directors, I would suggest to him that all he had to do was to contact Native groups and, indeed, northern groups of many varieties who could have given him a list of very good, competent Native people who have been intimately involved in the business management of community affairs in the North.

Will the Minister tell this House what he did, prior to appointing a new board, to consult with Native groups about potential lists of names?

Hon. Jim Ernst (Minister responsible for Manfor): Mr. Speaker, in dealing with the Board of Directors of Manfor, we looked for top quality sectoral people to deal with the questions that Manfor is facing. We appointed, for instance, Mr. Barry McPhalen who is the vice-president of Inland Cement, to deal with the major problems of unscheduled downtime. Mr. McPhalen is responsible for a major plant facility in Winnipeg, not necessarily directly related.

Mr. Speaker, we looked for somebody in that area. There are a number of trucking issues related to the North and that is the second highest cost Manfor has, is the trucking of the wood supply to the plant. We looked for somebody in that area to assist the company in dealing with those problems. We looked for financial people; we looked for other people related to specific expertise dealing with the company. Those are the kinds of people we looked for to put on the Manfor Board to assist the company with the problems that they are facing in an attempt to turn the company back into a profitable venture.

Mrs. Carstairs: Is the Minister saying in this House today that there are no Natives who know anything about the northern sector, no Natives who know anything about trucking, no Natives who know anything about finances?

Mr. Ernst: Mr. Speaker, no.

Manfor Ltd. Native Board Representation

Mrs. Sharon Carstairs (Leader of the Opposition): Well, then, Mr. Speaker, I would ask a supplementary to the Minister. Where are the Native people represented on this board?

Hon. Jim Ernst (Minister responsible for Manfor): Is the Leader of the Opposition suggesting that the people we appointed to the Manfor board are not capable of dealing with the issues on the Manfor board? Are they

not competent? Is Mr. Jones, the Chairman of the Board of Investors Syndicate, not a suitable chairman for the Board of Manfor? Does he not have the business expertise? I do not think so.

Mrs. Carstairs: The Leader of the Opposition is suggesting that there are Native people in this province with skills capable of sitting on this board. Where are they on this board?

Mr. Ernst: As I indicated, we looked for people that had direct-related expertise and experience with regard to the problems that are facing Manfor today. We have those people. We are very fortunate to have those people. We are fortunate to have Mr. McPhalen, we are fortunate to have Mr. Jones, we are fortunate to have Mr. Coleman, in terms of trucking.

The problem with trucking, Mr. Speaker, is that most of the truckers that are in the North are either working for Manfor one way or another, and we looked for truckers in the North to try and supplement the board from that area. We found time and time and time again that they are in conflict of interest if they deal with Manfor or are providing trucking services to Manfor. Therefore, we had to look elsewhere.

Affirmative Action Placements Executive Search

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, with a supplementary question to the Minister of Labour (Mr. Connery).

Obviously, Mr. Minister, there is no concern in filling boards in this province with the principles of affirmative action. What guidelines has your department provided to Ministers who are attempting to fill boards in that they will meet the affirmative action provisions as indicated by this Government?

Hon. Edward Connery (Minister of Labour): Mr. Speaker, I have indicated to this House several times that affirmative action is very strong in this Government. We have discussed it in Cabinet. We have discussed it with various groups that we are appointing that affirmative action will be followed in this Government.

In this particular case, it might not have been possible. The proof of the pudding will be in the eating and that is when we are done on all our boards and commissions to see how strong affirmative action has been taken by this Government.

Mr. Speaker: I would like to remind all Honourable Members that their questions and answers should be put through the Chair.

Mrs. Carstairs: My supplementary and final question is to the Minister of Labour (Mr. Connery).

Is this Government prepared to put its money where its mouth is and support affirmative action and make sure that every board appointed in this province has representatives of all of the people represented in this province?

* (1340)

Mr. Connery: It is absolutely vital that people of all walks of life in Manitoba have an opportunity to work with this Government and to serve this Government. Our Government is committed to that action.

Day Care Policy Changes

Mr. Gary Doer (Leader of the Second Opposition): We all know that Manitoba has had a reputation of being the top province in all of Canada in terms of our child care system, and my question is to the Minister of Community Services (Mrs. Oleson).

I understand that the \$7 million that was budgeted in the former Budget is again in this Budget, in terms of child care spaces the same amount of money as in the last Budget, but that the Government is going to take some of that money from the non-profit child care system, the non-profit child care system that has some 4,000 waiting spaces, and divert that money, similar to the Alberta system and similar to the British Columbia system, into profit child care.

Could the Minister please inform this House if there is going to be a radical change in policy and direction under this Government in terms of child care spaces in this province?

Hon. Charlotte Oleson (Minister of Community Services): The subsidies will go with the child and to the centre that is the choice of the parent.

Mr. Doer: That will mean that there is a decrease in the number of child care spaces available to people in terms of the non-profit system. The experience in British Columbia, and indeed in California, has been that this new voucher system has been a disaster.

Day Care Allotment Subsidy Priorities

Mr. Gary Doer (Leader of the Second Opposition): My question is: Why would the Minister proceed in a radical change in philosophy on child care prior to the reports being completed of the Child Care Advisory Committees, the two committees that she is potentially going to strike very soon?

Hon. Charlotte Oleson (Minister of Community Services): In response to the requests of many parents who were having difficulty placing children in child care centres because they happen to be in one part of town and they were close to a private centre and potentially had to take their child to another section of town where there was a public centre, they asked, and we listened to them, that the subsidies be allowed to go to private centres with the children. That is very important to the low-income parents of many children in this province. They were requesting that and we answered their request.

Mr. Doer: The Minister never answered the question about awaiting the report of the advisory committee

prior to making the philosophical decision that this Government has made.

Has the Minister studied the Alberta system where the spaces go vacant in terms of people under the profit child care system, because the average cost per child is about \$25 to \$30 a day, whereas the Manitoba system is running about \$12 a day, and there are long waiting lists in the Alberta system for the non-profit system and indeed in Manitoba for the non-profit spaces?

Why did the Minister choose to make a philosophical decision and divert money into the private sector prior to the advisory committees reporting to her?

Mrs. Oleson: I repeat, for the edification of the Member, the subsidies are going with children. The important operative here is that the subsidies are going with children who need child care.

Mr. Doer: Does the Minister not understand that this does not create a single space, and everywhere where that has been used, it has not created a single space in the child care system?

I would ask the Minister: Why is Manitoba one of only two provinces that has not yet submitted its proposal to the federal Government dealing with the federal-provincial funding that is available? Why are we still coming in last, or second last, in terms of the proposal, in terms of the child care system?

* (1345)

Mrs. Oleson: I will be addressing that point later in my statement, but I would like to say now that that is patently untrue. Manitoba has a proposal in to the federal Government; other provinces have proposals in to the federal Government. When the legislation is passed, we will be in a position to be working on those proposals. To say that we are lagging behind is ridiculous.

Native Inquiry Research Allocations

Mr. Paul Edwards (St. James): My question is for the Honourable Attorney-General (Mr. McCrae). My question concerns the concerns of the Native people in this province and, as well, this Government's lack of understanding of those issues.

On August 17, my Leader (Mrs. Carstairs) asked the Attorney-General whether he would be making funding available for Native groups to enable them to undertake research and prepare their submissions to be made to the inquiry into aboriginal justice issues. Since then a number of Native groups have come forward supporting this funding and including recently the Commissioners themselves.

My question is: Given the recent letter of the Commissioners asking that this decision by the Attorney-General (Mr. McCrae) be reviewed, and given the opinions of such noted experts as Thomas Berger in this area, which clearly indicate that it is absolutely

necessary that groups have their own funds to direct their own research, is it still the Attorney-General's opinion that financial support is not necessary to enable Native organizations to make effective submissions and, in particular, in light of the recent statement by the Commissioners themselves, who certainly are experts?

Hon. James McCrae (Attorney-General): I think a doubling of the budget of the Native inquiry itself to \$1.52 million speaks rather loudly about the commitment of this Government to a positive result. As a result of the Native inquiry, a component of the commission's budget is, of course, also for research. Native groups are funded by this Government. I would like to ask the Honourable Member how much he wants the Government to make available and to which groups?

Mr. Edwards: A supplementary for the Attorney-General (Mr. McCrae).

I believe the Attorney-General has missed the point. The point is not the size of the budget. The point is who directs how it is spent? I would ask the Attorney-General to address that question, and in particular, in light of this recent letter from the Commissioners suggesting that his decision be reviewed, has he decided to review that decision?

Mr. McCrae: I do not think it would be fair to respond to the Honourable Member before I have responded to the Commissioners of Inquiry who have written the letter.

He talks about financial support. I would like to know from the Honourable Member—and maybe he and his Leader (Mrs. Carstairs) can get together on this one—how much more money does he expect this Government to put forward for this inquiry, and which groups does he want funded, and which ones does he want left out?

Mr. Edwards: I will trust the good sense of the rest of this House to understand that the Attorney-General (Mr. McCrae) has missed the point again. The point is not size of dollars; the point is: who will spend those dollars, who will direct the research?

It has recently come to our attention that this commission will not even have counsel appointed. Will the Attorney-General (Mr. McCrae) please address that issue, and, in particular, will the Attorney-General please tell this House what opportunities will be made available for Native groups to present to this inquiry, and how are they going to go about their preparation? Will they be spending their own funds?

Mr. McCrae: Before the Honourable Member attempts to leave the impression on the record of this Chamber that funding for counsel for the inquiry, for instance, was refused by this Government, he might check with the Commissioners of Inquiry himself to ask them what their thoughts were about having counsel appointed.

* (1350)

The Commissioners of Inquiry were very interested in having an allocation for research. In terms of Native groups and funding for them, the Honourable Minister

responsible for Native Affairs (Mr. Downey) presented the Manitoba Assembly of Chiefs with the \$325,000 cheque. It seems to me that if that group, for instance, wants to come forward and make presentations to the Commission of Inquiry, it can take some money from that amount.

I ask the Honourable Member, though, in view of the fact that this Government has seen fit to be committed enough to double the budget put out or set aside by the previous Government for this purpose, I ask the Honourable Member, who complains about my not getting the point or my not answering the question—this is the third time for me, Mr. Speaker—which groups does he want to support, by how much, and which ones does he want to leave out?

Disease Control Laboratory Location

Mr. James Carr (Fort Rouge): My question is to the First Minister (Mr. Filmon).

Two weeks ago, my Leader (Mrs. Carstairs) raised a question about the location of the new Laboratory Centre for Disease Control, and the controversy about that site rages and continues. The First Minister assured the House at that time that his Government was speaking to the federal Government and that the decision would be based "on the merits of what is the best location."

Has the First Minister spoken to the federal Minister of Health on this issue, and if so, did he obtain assurances from the Minister that the decision would be based on merit and not on political advantage for one Member of Parliament?

Hon. Gary Filmon (Premier): The Member for Fort Rouge (Mr. Carr) knows very well—being a protege of Lloyd Axworthy, he is very familiar with decisions having been made by the former Liberal administration to put everything where it was politically appropriate and expedient for Lloyd Axworthy—that all decisions in Manitoba were made on that basis by the federal administration previously. He, being a protege of Mr. Axworthy's, he is very familiar with that method of Government.

Mr. Speaker, I will repeat for the Member for Fort Rouge (Mr. Carr): we have said at all times to the federal Government, in discussions with different Ministers, with federal Ministers, that where the location of the lab should be is, firstly, in Manitoba, and secondly, in a place that meets the criteria and is best suited to the particular use.

Disease Control Laboratory Location Announcement

Mr. James Carr (Fort Rouge): With a supplementary question to the First Minister (Mr. Filmon).

Since we last debated this question and since we last asked the First Minister a question that he did not answer—just like he is not answering the question today—

Mr. Speaker: Question.

Mr. Carr: —some things have changed. Specifically, the Mayor has proposed to donate the City Works Yard which supports the recommendations of the Blue Ribbon Selection Committee.

Will the First Minister (Mr. Filmon) assure this House that he is taking steps to bring the three Parties, the three Governments, to the table so that we can be assured that a decision will be made soon in the interest of all Winnipeggers and all Manitobans and not the political partisan interests of one Member?

Hon. Gary Filmon (Premier): The Member for Fort Rouge (Mr. Carr) may not have been familiar or aware of the details of the \$1 land offer, but I certainly was at the time that his Leader asked those questions. I have been involved with keeping in touch with the subject. I have been aware of discussions and meetings that had taken place with the City of Winnipeg officials and the Mayor, with Members of our administration; with Members of the federal Government.

At all times we have urged the federal Government to ensure, firstly, that the announcement of the location would be in Manitoba, which it will be, and we are delighted with that; and, secondly, that it will be in the location that is best suited in all respects. They appointed a Blue Ribbon Committee. They have done other studies and analyses. I would expect that they will be guided by those analyses and by the assessments that are provided to ensure that the best location is chosen for that land.

Mr. Carr: With a final supplementary to the First Minister (Mr. Filmon).

As First Minister of this province and as Leader of that Government, the people of Manitoba expect the First Minister himself to indicate a preference for where this laboratory centre should be placed.

My question is simple: What is the First Minister's preference for a proper site location for that centre?

Mr. Filmon: Mr. Speaker, I will gladly tell the Member for Fort Rouge (Mr. Carr) and all Manitobans. First and foremost, we want that lab to be located in Manitoba because it is a tremendous benefit to Manitoba, a \$90 million investment, a building on our medical infrastructure, to ensure that Manitoba becomes a centre for medical technology.

Secondly, it is going to be located on the site that is best suited to the needs of that particular lab. We all are going to join in commendation of the federal Government for bringing to Manitoba something that is as valuable, something that brings as much to Manitoba as this one does—an investment in job creation, in technology development, and all of the things that we want to have for Manitoba's future. I am delighted that the federal Government is following along those guidelines and I look forward to the announcement that they will be making in the near future.

* (1355)

Day Care Placement creation

Ms. Judy Wasylcia-Leis (St. Johns): My question is for the Minister of Community Services (Mrs. Oleson).

Given that the Minister has indicated in the House that her ministerial statement will be addressing the notion and the concept of a subsidy going with the child in terms of our day care system, given that there is not an example anywhere or an experience anywhere that has demonstrated that the subsidy going with the parent translates into new spaces, and given that there is not an example anywhere that demonstrates that—

Hon. Gary Filmon (Premier): It translates into children being able to get into day care where there are waiting lists today.

Ms. Wasylcia-Leis: Mr. Speaker, this is a very serious issue. I wish the First Minister (Mr. Filmon) would control himself.

Given that there is not an example or a study or an experience anywhere that shows that that kind of day care system results in affordable, accessible, quality day care anywhere, could the Minister indicate to this House how many spaces, new spaces, she thinks that such a system will create, on what basis she is making this kind of an announcement, and if there is anything more behind this kind of approach to day care other than ideological blindness?

Hon. Charlotte Oleson (Minister of Community Services): Mr. Speaker, I think the ulterior motive is in the mind of the questioner. This Government wants to provide for as many people—

POINT OF ORDER

Mr. Jay Cowan (Second Opposition House Leader): On a point of order, Mr. Speaker. For the Minister to directly reference ulterior motives on the part of the questioner would be highly unparliamentary and I would hope that she would take this opportunity to apologize for the imputation of motives.

Hon. James McCrae (Government House Leader): I think the Minister said that the motive is in the mind of the questioner, and I think there is quite a difference in the construction between myself and the House Leader for the third party (Mr. Cowan). There is no imputation of motives.

Mr. Speaker: I would like to thank both Honourable Members. I will have to review Hansard and I will come back to the House.

The Honourable Minister of Community Services.

Mrs. Oleson: Thank you, Mr. Speaker.

The subsidies that we are planning to provide for children in private day care are just that—subsidies for children. The important operative here is that we are providing children with the opportunity to get into spaces that they were not able to have before.

Day Care Space Assurances

Ms. Judy Wasylcia-Leis (St. Johns): Given that all the evidence points to the fact that the real problem in our day care system is lack of spaces, lack of centres in the non-profit sector—we only have some 8,000 parents on waiting lists waiting to get into non-profit centres and spaces in this province as proof of that, Mr. Speaker—given all of that evidence, can she give some assurances to the House today that all money going towards the creation of new spaces, going towards the day care program in Manitoba will go towards the creation of brand new spaces?

Hon. Charlotte Oleson (Minister of Community Services): Our budget provides for new spaces, for newly subsidized spaces in private centres - (Interjection)- public centres as well, yes, and it also provides for some initiative in the rural areas. I will be giving the Member all that information later.

Ms. Wasylcia-Leis: Given that the Minister has not answered the question and not given any assurances that there will be new spaces created, and not given us any indication of how many new spaces, I would like to ask the Minister, given that she has indicated that the plan submitted to Ottawa is the plan previously submitted by the NDP administration, which is obviously founded on assumptions of non-profit, quality, affordable, accessible day care, will the Minister indicate to the House today whether or not she is prepared to stand by those assumptions and ensure that every penny available from Ottawa, through the National Day Care Plan of Action, will go towards the non-profit sector, will go towards new spaces, will go towards quality, accessible, affordable day care?

Mrs. Oleson: The money we are putting in the budget this year, the money that will be available from Ottawa, will be spent in placing children in child care—children who need it.

* (1400)

PCB Management Plan Accelerated Development

Mr. Harold Taylor (Wolseley): My question is for the Minister of Labour and the Environment (Mr. Connery).

Mr. Speaker, it is obvious that the Government has been called upon to provide a timely response to the PCB problem and has not. It looks like the Minister has caved in to legitimate public demand and has now announced an accelerated development of a long-term PCB management plan.

My question to the Minister is: What can the Minister tell nervous Manitobans as to exactly what is an accelerated development? What does it amount to in this House today, with precise information as to timetable and the steps, because last week he came across that he did not know what he was talking about?

Hon. Edward Connery (Minister of Environment and Workplace Safety and Health): When I talked with

our staff, we went over the situation, as you know. By 1993, we hope to have a site selected and in operation. We are accelerating that plan if that is at all possible. I have asked our staff to see if they can find a site quicker, but as the Member knows, and he should know, a site selection is a very arduous and long-term program. We have to call hearings. We want to make sure that the public has input into a site selection and to a hazardous waste management program.

To this extent, Mr. Speaker, we will be inviting all of the public to make representation. We will be asking for expert advice from expert people in the community so when we do finally make a site selection, it will be an appropriate site selection and it will be made as quickly as possible. At the same time, to speed it up, we will try to ensure that the disposal and other facilities that are required at that site are moved along as quickly as possible. To give an exact date, that is difficult, but to make it as quickly as possible is the goal of our department.

Mr. Taylor: Will the Minister, in view of the lengthy public consultation process that he just referred to, and it was steps I was asking for—he has promised this consultation process for a new Hazardous Waste Management Corporation—table specific plans of his department for dealing with short-term hazardous waste management in the province so that there will not be the necessity of a repeat of which we had recently of the North Transcona CP Yards and the PCBs there, and which I had to harp at this Minister for 10 days to get a simple but effective answer? Come on, let us hear the answer.

Mr. Connerly: Indeed, the Member for Wolseley (Mr. Taylor) knew about this site for two weeks and did not bring it into this House until there was a tragic fire in Quebec—time to coattail on the back of tragedy to get some information. At the same, the Member for Niakwa (Mr. Driedger) knew about it for over a year and this site was not reported.

We are very concerned; we are working. As the Member knows, the Hazardous Waste Management Corporation will work with anybody that has a chemical or a substance that is hazardous to dispose of it. Some of it has to go to Sarnia, Ontario for burning; others have to be stored; some go to landfill sites. So we have in place a short-term plan. What we are working on is the long-term plan. As far as he knows, and the Member does know, PCBs, at this point, we can only store them. I hope by the end of this week our department will have visited every site that is under provincial jurisdiction. Environment Canada has ensured me that every federal site will have been inspected by the end of this week to ensure that all sites are safe.

As the Members knows, I am going to a meeting this afternoon, or the meeting takes place tomorrow in Ottawa, to deal with the safe storage of PCBs, the safe moving of PCBs, and to facilitate a very quick disposal system of this hazardous chemical.

PCB National Inventory

Mr. Harold Taylor (Wolseley): That gives me the lead-in I was looking for, for my third question. Sixteen hundred PCB sites. We have 1,600 or 10 times 1,600 across Canada. The national Minister of the Environment admits the national inventory is full of holes.

Will this Minister, at the meeting tomorrow, in Ottawa, of Environment Ministers from across Canada, demand the completion of that PCB site inventory asap; and will he demand that that inventory come across with sufficient detail for each of those sites; and will he also, at that meeting, demand that there be the creation of national regulations to replace the national guidelines which do not work with specific reference to building standards, sighting conditions, lighting security and so on; and will he also introduce, at this meeting, the concept of bonding for those who store PCBs; and will he push for a national consensus on how to destroy PCBs?

Mr. Speaker: Order, please. May I remind all Honourable Members that a multipart question does tend to extend the answer.

The Honourable Minister of the Environment.

Hon. Edward Connerly (Minister of Environment and Workplace Safety and Health): It is obvious the Member knows that there is a concern about PCBs in Canada. Why does he think we had the meeting called? Why does he think that Mr. McMillan and I discussed this very issue last week to ensure that all 10 Ministers would get together in Ottawa to review the current PCB situation? Mr. Kowalski in Alberta is concerned that he has not found all his sites. I am trying to ensure, and I think we have, that we have identified all of the sites here in Manitoba.— (Interjection)— Yes, I am concerned, unlike the Member for Wolseley (Mr. Taylor) who was prepared to withhold information.

Mr. Speaker, I have only answered two questions. There were five. He was even asked by our department people if he knew about some PCB sites—

Mr. Speaker: Order, order; order, please.

Health Sciences Centre Permanent Bed Closure

Mr. Jay Cowan (Churchill): Mr. Speaker, my question is to the Minister of Health (Mr. Orchard), and I would like to put it in the proper perspective.

On April 12, 1988, in the middle of an election campaign, the Premier of the Province (Mr. Filmon) made an election campaign promise that stated very clearly: "We will put an immediate halt to permanent bed closures pending a comprehensive review." That was an unequivocal campaign promise made by the Premier at that time.

On July 22, the Health Sciences Centre wrote to the Department of Health asking permission to close 22 respiratory beds, and in that letter, they referenced

those closures as permanent bed closures. On August 22, in this House, the Premier of the Province (Mr. Filmon) again said, referencing that situation, "We will keep our commitments and we will keep our promises that we have made prior to and since the election campaign." One day later, the Minister of Health (Mr. Orchard) cut the legs out from under the Premier when he denied three times the original campaign promise and apologized publicly for the confusion that was created by the badly worded campaign promises enunciated by the Premier on April 12. Since then, we have seen the spectacle of the Premier and the Minister of Health slip-sliding away from that campaign promise, trying to relieve themselves of any responsibility to live up to that promise.

Given the confusion that has been created by the Government's badly worded campaign promise and the refusal to live up to his campaign promises, my question to the Minister is: Can the Minister advise this House and the people of Manitoba today as to the status today of those 22 beds which were closed by the Health Sciences Centre?

* (1410)

Hon. Donald Orchard (Minister of Health): I timed the question. I believe it was four minutes, and I trust that I will have that opportunity to reply.

The Health Sciences Centre asked to close for the summer months 22 respiratory beds. That closure for the summer months until September 6, which is today, was granted because it was a normal summer shutdown request—something that has happened during the years prior to the last NDP administration, that happened during the Lyon Progressive Conservative administration, indeed, happened during the Schreyer administration, because the summertime is a time when demand for services tends to be less and wards can be closed temporarily.

What the Health Sciences Centre requested on July 22 was for a program delivery. They identified 22 respiratory beds, 12 gynecological beds, which they do not need because they have moved more of their services on an out-patient basis so that the patient does not need to be admitted to a hospital bed to receive treatment. That is a direction that the former administration at one time supported, and I have to assume still do. It is a trend in health care delivery that has been ongoing for some 20 years, because I believe that at one point in time the Health Sciences Centre had a bed count of over 1,200 beds, and through not using and not requiring the beds for medical service delivery, that count is slightly over 1,000 now.

Mr. Speaker, what the Health Sciences Centre had requested on July 22 has not been acceded to, i.e., the permission to permanently close those beds.

Mr. Speaker: The Honourable Member for Churchill (Mr. Cowan) did not take four minutes. He took one minute and 40 seconds. I would like to remind Honourable Members that the preamble should be one carefully drawn sentence.

The Honourable Member for Churchill, with a supplementary.

Mr. Cowan: Mr. Speaker, one has to very carefully draw their sentences if they are going to make one sentence last one minute and 40 seconds.

It is unfortunate that the Minister did not get to the rest of his undercutting of the Premier's (Mr. Filmon) promise. I would ask him, basically, given that today is September 6 and he has indicated in this House and outside of this House that the closures were temporary until September 6, can he indicate to us today what the status is of those 22 beds which were closed at the Health Sciences Centre?

Mr. Orchard: Because the Health Sciences Centre has indicated to the Manitoba Health Services Commission that their program delivery no longer requires those 22 beds, they have asked for permanent closure. We have not granted that request of permanent closure until we are sure ourselves that what is good for the Health Sciences Centre, in terms of their program delivery, does not adversely impact on the system; hence the commitment that no permanent bed closures would take place until we do an analysis of the Winnipeg hospital system in terms of total bed requirement—something woefully missing in the mandated bed closures by the NDP last fall to control deficits and for budgetary reasons.

The status of those bed closures is that we have not completed our hospital review in Winnipeg to determine whether the Health Sciences Centre request is an appropriate one. As a subsequent measure, the Health Sciences Centre has asked us for an extension to temporarily close those beds for two more months and that has been granted, Mr. Speaker.

Medical Services Comprehensive Review Request

Mr. Jay Cowan (Churchill): Now we have seen it all; the circle has been completed. The question to the Minister is when does a temporary bed closure become a permanent bed closure? Is it after the first two-month extension, after the fourth two-month extension, after the tenth two-month extension? When is the Minister going to live up to the campaign promise of the First Minister, of his Leader (Mr. Filmon), and ensure that there are no hospital beds closed in this province until a comprehensive review of medical services and hospital services in this province is completed by his Government? When are they going to live up to their word?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, that is exactly what I and this Government are doing right now. There is no permission to close those beds permanently. The closure of such would not bring them to the 56-bed enforced closure mandated without consultation and planning by the previous administration.

That permission to permanently close will not be granted by the Manitoba Health Services Commission and myself until that review is completed. That review is ongoing, is not complete, and we will not allow bed closures, as the NDP forced on the hospitals, until we have complete information.

Affirmative Action Barrier Removal

Mr. Allan Patterson (Radisson): My question is to the Minister responsible for the Civil Service Commission (Mr. Connery).

The Minister has assumed overall responsibility for assuring that Affirmative Action is carried out within the departments. We are very pleased to hear this and look forward to regular progress reports.

Will the Minister inform us what systemic barriers to the employment of target groups have been identified so far? What steps have been taken to remove them? Specifically, what particular barriers have been prioritized for removal?

Hon. Edward Connery (Minister responsible for the Civil Service): Mr. Speaker, the systemic barrier to Affirmative Action was taking place for the previous six years. As the Leader of the MGEA, who is now a Member of this House, was not a supporter of Affirmative Action and that has come out very, very clearly in my discussions with the Civil Service—

Mr. Speaker: The Honourable Member for Concordia, on a point of order.

Mr. Gary Doer (Leader of the Second Opposition): A point of order, Mr. Speaker. If the Minister of Labour (Mr. Connery) would check the record, he will find my signature on the Affirmative Action Program on two different occasions. You better do your homework before you make the typically uninformed statements that you make in this House.

Mr. Speaker: Order, please; order, please. A dispute over the facts is not a point of order.

The Honourable Minister responsible for the Civil Service.

Mr. Connery: Mr. Speaker, anybody can put their name to any document. It is the conviction of the individual, it is the conviction of the Government to make it work. I can tell you the Members on this side know the discussions that I have had as far as Affirmation Action goes. It is alive and well in this House. As you know, there were various committees to ensure that Affirmative Action operates well. There are three Deputy Ministers and there are three members of the MGEA who are meeting very soon to work on our Affirmative Action Program.

Mr. Speaker: Order, order. I can tell you that the time for oral questions has expired.

INTRODUCTION OF GUESTS

Mr. Speaker: I would like to draw all Honourable Members' attention to the Speaker's gallery where we have with us this afternoon, Mr. David Orlikow, who is the MP for Winnipeg North.

On behalf of all Honourable Members, I welcome you here this afternoon, sir.

SPEAKER'S STATEMENT

Mr. Speaker: Prior to Orders of the Day, I have a statement I would like to read to the House.

It has come to my attention that during Private Members' Hour last Thursday, the Honourable Member for Dauphin (Mr. Plohma), in moving Resolution No. 6, digressed somewhat from the printed text of this resolution as distributed to all Honourable Members. The difference between the printed text and the words used by the Honourable Member on Thursday last do not constitute substantive or material changes. However, there are differences between what was said and what was printed and distributed. The resolution did appear in the Votes and Proceedings in the actual words the Honourable Member used in moving it.

Should he wish to have the resolution before the House read as it was originally printed on the notice paper, I suggest he ask leave of the House the next time Resolution No. 6 is before the Assembly to formally correct the wording to restore it to the original form in which it was printed.

Any Member, of course, is free at the time of moving a motion to ask leave of the House to amend or change the text. I would, however, ask all Honourable Members that if they choose to vary the text of a motion as they present it, that they would give the House the courtesy of informing the House that they wish to make such a change.

* (1420)

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

Hon. James McCrae (Government House Leader): Mr. Speaker, to accommodate the Honourable Minister of Community Services (Mrs. Oleson), I wonder if we might revert to ministerial statements.

Mr. Speaker: I think it was the understanding that we would.

The Honourable Minister of Community Services.

Hon. Charlotte Oleson (Minister of Community Services): Mr. Speaker, I have copies for the appropriate Members.

I am pleased to announce today two important initiatives and a major funding increase for day care in the Province of Manitoba.

The initiatives involve making child care income subsidies more flexible so that they apply regardless of whether a child is cared for in a private or public facility and the fulfilling of this Government's Throne Speech commitment by establishment of a Child Care Task Force to assist in developing a strategy for day care in Manitoba.

In terms of funding, I am very pleased to announce as well that the budget allocation to child care in 1988-89 is up a full 25 percent, or \$7 million, to a total of

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\$35.7 million. The increase will allow for creation of at least 800 new provincially funded child care spaces, as well as significant improvements to one of Manitoba's most important social services.

It should be noted that the additional funding and the policy initiatives I am announcing today are building blocks being added to Manitoba's existing day care base. This Government intends to enhance and broaden the current system while maintaining existing strengths.

The move to make day care income subsidies more flexible and portable is in response to the desires of many Manitoba parents. Those parents have informed us that they do not like the restrictions imposed by the current system, and we believe that allowing the subsidy to go with the child, regardless of whether that child is cared for in a licensed public or private facility, adds an element of equity and fairness all too often lacking in the current system. Simply put, this gives eligible Manitoba parents the freedom of choice in deciding the most appropriate form of care for their children. This very positive policy change will take effect October 2.

In making Manitoba's day care system more responsive to the needs and wishes of parents, we are allocating \$125,000 for assistance to centres and community groups wishing to provide day care in rural areas.

In addition, my Government has committed \$200,000 for this fiscal year to a Workplace Day Care Fund to help employers and employees determine the need for day care and assist in meeting preparation costs.

We have also earmarked funds to allocate commitments for 320 spaces in a variety of settings. These funds will allow some centres to increase their capacity to ensure their viability.

The Government has also committed \$2.5 million to establish full-year funding for facilities approved last year, \$1.6 million to accommodate volume increases because more families are eligible for day care subsidies, and \$970,000 to pay for increases in day care fees, as well as additional funds to help families with disabled children who require day care services.

This plan was developed after considerable consultation with parent groups and child care advocates who felt the existing day care system in Manitoba was no longer flexible enough to meet the changing needs of Manitobans, in order to ensure that the day care system is able to meet not only present but future needs of Manitoba families. I am pleased to announce today the striking of a task force to develop a strategy for day care that will ensure quality care while at the same time provide a sensible balance to public, private, family, home and workplace day care.

Mr. Speaker, the Task Force on Day Care will address a wide range of issues and options concerning the effective and affordable delivery of day care in the province. Among the matters the task force will consider are provision of day care to rural and part-time users in a flexible manner, the means of funding day care, the criteria for determining the need and distribution of new day care spaces, the content of training courses

and the process of achieving specific levels of accreditation, and the requirements of special needs children and the provision of care for them.

The Task Force on Child Care will report its recommendations early in 1989. The task force will be limited to seven members but, to ensure they receive a fully representative picture of day care realities and needs, two separate advisory groups will be established to solicit input from the full spectrum of the child care community. One advisory body will be drawn from representatives of day care providers, while the other group will come from child care users, Manitoba's parents. The advisory committee will monitor and comment upon the task force's activities, as well as its final report. In addition, the task force will call for written submissions from all interested parties.

And finally, Mr. Speaker, I intend today to put to rest much of the political gain-saying the Members opposite have engaged in on the matter of Manitoba's position regarding the new federal day care plan. Members opposite have gone to great lengths to paint a very poor image of this Government's preparedness and/or willingness to take advantage of additional day care money proposed under the federal plan. Let me assure you today that nothing could be further from the truth. Not only is this Government and my department ready and willing to take full advantage of the recently announced federal program, I can assure you we are prepared to begin negotiating those arrangements the very moment it is appropriate to do so.

That brings me to the question of the precise state of negotiations between Manitoba and the federal Government concerning entrance to the new national plan. It is, without question, a case of fact versus fiction. Members opposite have done a remarkable job of supplying the fiction. Allow me to supply the facts.

First of all, it is patently untrue that Manitoba has not submitted a proposal for doubling provincial day care spaces. Two provinces have not submitted plans but, I say again, Manitoba is not one of them. But even more importantly, the federal Health Minister, the Honourable Jake Epp, has advised me that all proposals originally submitted are now outdated. When the Federal Day Care Act receives Royal Assent, all provinces will be required to resubmit their proposals. Given the fact that the Act has just passed the House of Commons' second reading and is in committee study, it is clear that Manitoba can carry out the task force process without risk of losing any negotiating ground whatsoever. As well, the federal Government is already on record assuring all provinces that they have until March 1990 to sign a final day care agreement without risk of financial loss.

This comprehensive plan I have outlined today clearly shows this Government's commitment to a day care system that ensures not only high-quality care but also provides the flexibility and accessibility Manitobans want and need. Rural, workplace, home, private and public facilities all have an important role to play in the new Manitoba day care plan. I am proud to say that Manitobans will have one of the nation's best child care systems, not only today but on into the future because this Government listens to parents and day care

providers and is moving to respond to their needs. Thank you.

Ms. Avis Gray (Ellice): I have a few comments in response to the ministerial statement by the Minister of Community Services (Mrs. Oleson).

The Minister of Community Services has indicated to this House today that her department has increased initiatives involving child care and that, in fact, subsidies will be more flexible and that dollars can travel with the child.

We, on this side of the House, question what accountability systems will be built in to ensure that, for the non-profit day cares which are currently operating in this province, we are assured that the non-profit day care spaces will be filled before dollars do travel to private day cares. We are concerned about the accountability that would be built in with the flexible dollars. Although this indication from the speaker are some general statements regarding the flexibility, we would hope that in the near future we would see specific details and concrete steps as to how that accountability will be monitored.

In regard to the Minister's statements regarding commitment of dollars to a Workplace Day Care Fund, again this is a general statement in principle. We would hope to see some future details as to exactly how those \$200,000 will be spent. That is a fair amount of money, and a fair amount of money that is going into the Day Care Task Force as well. We would like to see some detail as to how those dollars will be spent to ensure that, in fact, Manitobans and parents of children will be getting the best value for the dollar.

* (1430)

Mr. Speaker, in regard to the Task Force on Child Care, the task force which will be made up of seven members, I wonder if the Minister and her staff have made the decision as to who those seven members will be. In recent meetings, as recent as this morning, with the Manitoba Association for Child Care, they again have requested that of course they be part of that representation and have not heard to date whether in fact they will be part of that seven-member committee. We trust of course that there will be representation from the Manitoba Association of Child Care and from the Manitoba Family Day Care Association.

As well, these two separate advisory groups that will seem to be established along with the task force, as I read this, unfortunately it reminds me too much of the similarities of the provincial and regional advisory groups of the Welcome Home Program. We know how those did not work. There seems to be an indication here that in fact who actually will be making the decisions, the advisory boards or the task force, and what exactly will their roles and responsibilities be. I have some concerns that we may get into a situation, depending on who is represented on the seven-member group and depending on who is represented on the advisory committee, where it will be divide and conquer. I do have a lot of grave concerns about these two advisory groups and the task force and how exactly that will be structured.

We hope that in fact the Minister of Community Services (Mrs. Oleson) will take some of these comments into consideration in terms of setting up the task force. We certainly encourage her very, very strongly to solicit representation from the Manitoba Association of Child Care Workers and the Manitoba Association of Family Day Care Workers. We see that there are parents who will be represented. We see that as a positive step forward.

We hope as well to be hearing in the very near future more specific details about how some of these dollars are going to be spent, what the \$200,000 will be spent for regarding workplace and day care, exactly what kind of creative initiatives they will be looking at regarding rural day care. Who are they going to solicit information from to find out the needs of rural day care? We hope that all this information will be forthcoming in the near future.

Ms. Judy Wasylycia-Leis (St. Johns): Unlike my friend, the Liberal critic, and my Liberal friends to the right of me, we in the NDP caucus want to have more than details about this proposal. We want to get specific information about how this proposal will work.

We want to express the strongest possible opposition to the statement that has been made today, to the news that has been released today, to the incredible damage that will be done to our child care system by virtue of the direction that has been announced today. I wish the First Minister (Mr. Filmon) had stated in—excuse me. I realize, Mr. Speaker, I cannot mention the absence or presence of Members. However, I want to say that this, in our view, is one of the most fundamental, critical issues facing Manitoba families today.

Manitoba families and communities were looking to this Government for meaningful public policy and direction in terms of quality, accessible, affordable day care. They have been waiting with bated breath for some news about that \$7 million, the same amount of money that was put in the Budget by the former NDP administration and which the Members opposite and the Members to the right of me voted against. Today, they will get nothing but disappointing news.

I am afraid today is a sad day for Manitoba families. Our day care system, the best in North America, has just been sent on a nose-dive to become the worst in North America. We have lost our leadership position by virtue of the direction that this Government is pointing us in, and all of us have to work very hard to try to put some common sense into the minds and into the thoughts of Members opposite, into the minds and thoughts of this Conservative Government.

Let me try to outline our concerns as succinctly as possible. Members opposite have suggested that they will solve our day care problem, our shortage of day care spaces in Manitoba, by putting more flexibility into the system through this so-called subsidy going with the child or subsidy going with the parent concept. It is an illogical concept. It makes no sense at all. It is as illogical as the position presented by the Leader of the Liberal Party (Mrs. Carstairs) and her colleagues in the election and since then about subsidy going with

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the parent to deal with the demand and to provide flexibility in the system.

There is not a study in this country, there is not an example in this country that demonstrates that the subsidy going with the child or the subsidy going with the parent will create a single new space. In fact, the Minister herself will acknowledge that, will indicate that this does not necessarily create new spaces. It is simply a cover and a camouflage for their determination to implement a fanatical, ideological election commitment to help support day care centres in the private sector. There is no benefit to the people of Manitoba, to the families of Manitoba, by going that route. It is illogical, nonsensical and a waste of public funds.

Parents are coming to all of us and saying the problem is lack of spaces. The problem is lack of trained professionals to fill all those positions. The problem is lack of salary enhancement to adequately remunerate our day care professionals. The problem is quality, accessible, affordable day care. This proposal does not go one iota to achieve quality, accessible, affordable day care. It goes in the opposite direction.

We have heard today an announcement, as well, about a task force that is scheduled to report in approximately three months. How can this Government say it has not done an incredible disservice to the people of Manitoba by today announcing a major policy shift, a major new direction in the use of scarce dollars and the use of taxpayers' money, and then suggest that there will be all kinds of input and all kinds of opportunity for input from the parents of this province, from the families and the communities everywhere in this province? That is a hypocritical, that is an irresponsible move on the part of this Government, and we are appalled by the kind of disservice, the kind of treatment they are according the people of Manitoba.

We on this side of the House would like to see dollars that are available directed first to meet the thousands and thousands of unfunded non-profit spaces, the some 8,000 spaces in the non-profit sector waiting for public funds, and the indeterminable number of spaces in our family day care program waiting to be funded, to provide the service to those parents requiring subsidized day care.

Let us put our money where it will do the greatest good. Let us not fritter it away. Let us not fritter it away in order to meet the profit-making motives of a few commercial centres that does not guarantee the creation of one single new space.

We are appalled and affronted today by the—

Mr. Speaker: May I remind all Honourable Members of our own Rule 19(4), which says an Opposition Member may make a brief comment with respect to the announcement or statement by the Minister.

* (1440)

ORDERS OF THE DAY NON-POLITICAL STATEMENT

Hon. Glen Findlay (Minister of Agriculture): May I have leave for a non-political statement?

Mr. Speaker: Does the Honourable Minister have leave? (Agreed)

Mr. Findlay: I will be very brief, to the Member for Thompson (Mr. Ashton).

This past weekend, the Provincial B Fastball Championship was held in Steinbach. My riding was represented by the Virden Men's Fastball Team. I would like to report to the House that they went through the entire weekend without losing a game. The Member for La Verendrye (Mr. Pankratz) was there last night to report that they won the final game over Hartney—so the Member for Arthur (Mr. Downey) knows—by a score of 12-2 in five innings. I would like to congratulate them on their fine season and their very successful finale.

Hon. James McCrae (Government House Leader): In the interests of Cabinet solidarity, perhaps we should put the Honourable Minister of Northern Affairs (Mr. Downey) in the committee room and the Honourable Minister of Agriculture (Mr. Findlay) in this room for Estimates later today.

I move, seconded by the Honourable Member for Springfield (Mr. Roch), that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

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 Minnedosa (Mr. Gilleshammer) in the Chair for the Department of Community Services; and the Honourable Member for Seven Oaks (Mr. Minenko) in the Chair for the Department of Industry, Trade and Tourism.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY—COMMUNITY SERVICES

Mr. Chairman, Harold Gilleshammer: I call this committee to order. We will continue with the Estimates of the Department of Community Services on item 1, Administration and Finance, part (c) Research and Planning, (1) Salaries—\$752,000.00. Shall the item pass?

Ms. Avis Gray (Elice): I was wondering if the Minister could tell us. Towards the end of last week, she had mentioned that her department would be reviewing some concerns as a result of the inquest on Mr. Russell Smith. Could she tell us if, in the past, the Research and Planning Branch has conducted any kind of reviews in relation to residential care system?

Hon. Charlotte Oleson (Minister of Community Services): No, Mr. Chairman.

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Ms. Gray: Could the Minister tell us if in fact any concerns at all regarding The Social Services Administration Act or residential care system have been brought to her attention by her senior staff?

Mrs. Oleson: Yes, they have, for the information of the Member.

Ms. Gray: I am sorry, I did not hear that.

Mrs. Oleson: Yes, there have been concerns brought to my attention.

Ms. Gray: Would the Minister please elaborate as to the nature of these concerns?

Mrs. Oleson: The Social Services Administration Act has not been amended since 1980, so it would follow on that there would need to be changes contemplated at least because of the increase in the delivery of service related to that Act. It permits the delivery of service through external agencies but does not provide the explicit framework for service planning, development, delivery and accountability. Many externally funded agencies operate with vague and informal mandates at the present time. Only day care centres and Child and Family Services agents operate under current legislation. With that in mind, there is a review taking place with the idea of either amending or redoing the legislation.

Through the evolution of the social services and related systems in Manitoba, legislative and policy issues have grown into significance and complexity. The issues include the philosophy of community programming and the governance of community-based services; the pros and cons and responsibilities and the liabilities of major development and reliance upon community boards; the risks of failing to ensure a mandating process for doing business with non-government agencies and organizations; fiscal management and guidelines for resource allocation; monitoring of expenditures and accounting for the appropriate and intended use of public funds by external organizations; ownership and control of publicly paid for assets and responsibility for externally incurred liabilities; selected application of residential care licensing and requirements; worker training requirements; the absence of any basis for provincial intervention in the operation of another publicly funded corporation delivering a public service; and there is also the issue of confidentiality; and also a split in jurisdiction and the consequent relationship between community health and social services. So all these issues have been discussed in other context, but no systematic attempt to delineate and address the issues have been made. With all these things in mind, we are reviewing and looking at the legislation.

Ms. Gray: Last week, in Estimates, I had asked a question regarding the residential care, regarding The Social Services Administration Act, of which residential care facilities must follow. At that time the Minister did not appear to have any major concerns regarding that Act, and now she has given us some information which obviously highlights a number of concerns.

Could the Minister tell us if in fact this information that she has presented today has just come to her attention?

Mrs. Oleson: I did indicate concerns when we met last week, and indicated to the Member that we were reviewing the legislation, but that I had not had an opportunity yet to actually review what has been done by the department, or to review any changes or to prepare any legislation. It was not a lack of interest or lack of information. I suppose, if you got right down to it, it is a lack of time.

* (1510)

Ms. Gray: Could the Minister indicate to us if any individual groups or community agencies or organizations have brought to her attention any concerns that they have, specifically around the concerns that were presented in the inquest last week?

Mrs. Oleson: The Residential Care Coalition have mentioned to me the problems that they see. I also had it raised with me by the Association for Community Living that there was some concern about The Vulnerable Persons Act which, of course is not part of this, but which is now dealt with under The Health Act. So all these things will have to be looked at with the eye to whether we change them, amend them, but they are being reviewed.

Ms. Gray: Would the Minister please indicate to us today exactly what the nature of the review will be resulting from the judge's recommendations at the inquest?

Mrs. Oleson: I judge the Member is talking about the review that I indicated on Friday would be held. I will be announcing that review in the near future and indicating at that time what the parameters of that review will be.

Ms. Gray: Could the Minister please indicate to us, as the Minister of Community Services, what her specific concerns are surrounding this area?

Mrs. Oleson: This is not the section under which we discuss residential licensing, so that is not what we are discussing here. I was just indicating to the Member that we would be doing a review and looking at the recommendations that were put forward by the judge to do with the Winnerv case. I have not read the transcript and have not the whole thing laid before me yet, so of course we would have to look at that before we commented on it. But the review I have in mind should address the things that were in the preliminary report that I had about the judge's findings.

Ms. Gray: The Research and Planning, I understand is involved with amendments to legislation such as The Social Services Administration Act, so I would think that that particular branch of her department would have a fair amount of information regarding the concerns around the Act which relate to residential care facilities. The previous administration, I understand,

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was in the midst of some review because this particular tragic death of Mr. Smith occurred last year and there were some recommendations and reviews that were in process. Could the Minister tell us if she has access to this review that was done by the previous administration?

Mrs. Oleson: There was an investigation done by the previous Government, but there was no review as such.

Ms. Gray: Did not any recommendations for changes come out of that investigation in regard to directions to staff regarding residential care facilities, or to the residential care facilities themselves?

Mrs. Oleson: When that investigation was done, there were recommendations put forward and they have been acted on.

Ms. Gray: The Minister has indicated that there were recommendations put forth and they were acted upon. Could she please tell us what specifically those recommendations were?

Mrs. Oleson: One of the specifics was in the involvement of parents with the planning of the programs for their children. Others were safety measures that were looked at. The homes are inspected for safety, of course, every so often; but there was an extra one done after that just to ensure—just to be on the safe side.

Ms. Gray: What specifically was changed or improved regarding involvement of parents?

Mrs. Oleson: There was a written instruction sent to these centres that parents be involved in planning of programs for their children at these centres.

Ms. Gray: Were the community residences directed or given suggestions as to how they should be involved, these parents, rather than just sending the directive to, say, involved parents?

Mrs. Oleson: I believe I indicated to the Member that the centres were instructed to involve the parents with planning the programs, in planning the care of their children who are in care in the centres.

Ms. Gray: Which branch of the Community Services Department ensures that the community residences do comply and that there is adequate involvement of parents?

Mrs. Oleson: The Community Services section of the department, not the section we are debating at the moment.

Ms. Gray: The Minister refers to Community Services section. Specifically, who was in Community Services as responsible to ensure that that happens, which staff?

Mrs. Oleson: It would be the regional staff, plus the Social Services ADM and the program director.

Ms. Gray: Could the Minister assure us today that staff are quite aware that is one of the expectations that, in working with community residences, they ensure that residences do adequately involve the parents?

Mrs. Oleson: As I indicated, the staff have been requested in writing to do that and I am hopeful that they follow the direction.

Ms. Gray: The Minister indicated in her comments, as well, that safety measures were important. Could she elaborate if any changes were made regarding safety measures?

Mrs. Oleson: Mr. Chairman, under the residential care section of these Estimates, which we will be debating later on, there are inspections done as to safety of the building. It has to adhere to city by-laws with regard to fire safety and that sort of thing, and also they do inspect that there are programs in place. The residential care people, however, do not inspect the programs.

Ms. Gray: Mr. Chairperson, I am still not clear exactly if there was any type of change in regard to safety measures. I bring this up because part of The Social Services Administration Act regulations deal with this and, if there are to be amendments, it certainly falls or could fall to the jurisdiction of Research and Planning.

Mrs. Oleson: Mr. Chairman, there was a special survey done over and above what is usually the case just to make sure that there were safety measures in place and that the residents are safe.

Ms. Gray: Mr. Chairperson, would the Minister be prepared to table this particular survey and the results of that survey.

Mrs. Oleson: Mr. Chairperson, it is an internal survey done by staff and it was done just to make sure that everyone was safe. I do not think it is something that would be normally tabled.

Ms. Gray: Mr. Chairperson, I would think that any type of information that would assist us in this House and, therefore, assist Manitobans in being reassured that in fact individuals are safe in community residences, that information would be helpful. There is a great deal of concern in the community expressed by parents and community agencies and staff within the department that the regulations in The Social Services Administration Act are not as comprehensive and stringent as they should be. In fact, some of the measures related to not just safety but the quality of life of individuals is a major concern.

I am wondering again, for the information and assistance of all people here today, if the Minister would be prepared to table the results of this survey and the nature of that survey.

* (1520)

Mrs. Oleson: Mr. Chairman, the report was on individual residents to make sure that they individually

were all safe. I do not think it would be very productive to be tabling in this committee a list of residents and exactly what the situation was with each one of them. That is the type of thing that the Member is asking for. We do not want to identify individuals.

Ms. Gray: Mr. Chairperson, no, I am certainly not asking that particular individuals be identified. The Minister has indicated that the safety of residents was a concern and that information was sought. I would think that, of course, that kind of information to be sought about the safety of residents would be a very, very comprehensive undertaking. When was this particular survey done and what kind of manpower or personpower was used, and how long did this particular survey take, given that there are over 350 people, mentally handicapped alone, in community residences in just Winnipeg?

Mrs. Oleson: After the death of Russell Smith, each client record was gone over and information was given on conditions surrounding them. We all know there is need for improvement and that is what we are looking at. We know that certainly there is no perfect situation and we are working very hard to make sure that everyone is as safe as possible. This survey that was done was done with that idea, to make sure that everyone was safe. It was a very unfortunate situation, a very unhappy situation surrounding the death of Russell Smith. After that, this survey was done of individuals by their workers and other staff just to make sure they were all safe. That is how that came to be.

Ms. Gray: Who went over the client record and what was the nature—like, what happened? Someone sat down and read the client record? I am not understanding exactly what the process was, I am sorry.

Mrs. Oleson: The Assistant Deputy Minister directed the program director to review all clients in care in residential homes, and the case workers and the regional representatives went over this to make sure that everyone was as safe as possible. This process took about three or four days.

Ms. Gray: One of the concerns that was raised in the inquest and has been raised by parents, including Mr. and Mrs. Smith, before the inquest or during it, and I know too the Minister directly, was the fact that parental involvement was not sought and that if there had been more information garnered from the parents, the tragic result, being Mr. Smith's death, would not have occurred.

In this review of files to assure that in fact clients were safe in the homes, were the parents involved?

Mrs. Oleson: I have indicated before this afternoon that the centres have been instructed to involve parents in all matters related to their children. However, the first part of the Member's statement is still under review and there may be charges, so I do not think it is appropriate for us to discuss the exact involvement of staff at that time.

Ms. Gray: My question is: How were the staff of the Minister of Community Services (Mrs. Oleson) assured

that in fact the clients were safe, if the parents were not consulted or if they were not involved?

Mrs. Oleson: The service providers were involved with this investigation to be sure clients were safe. The parents were involved and, hopefully, we will not have any recurrence of the events that happened before. But I would remind the Member that I was not the Minister when this took place and so I am having trouble sort of piecing events together myself.

Ms. Gray: I can appreciate that. In fact, the Minister inherited this particular department and all the nuances of it, although I guess the concern here and a number of concerns that have been raised over and over again with this particular department is that there are various branches and segments of the Department of Community Services who all have a piece of community residences and the care in community residences, which results in a lot of role confusion for staff, for community agencies and for parents. My concern is—and again the Minister has indicated that parents were involved. Are we, therefore, to assume that, if I were to talk to parents who have mentally handicapped individuals in a residence, they would assure me that they were consulted regarding the safety of their individual son or daughter?

Mrs. Oleson: There is a standing order for parents to be involved in the programs and the life of their children in these residential centres. So that should be the case that parents are involved in the planning for their children.

Ms. Gray: Could the Minister tell us if the Community Services workers and if individual program plans were also reviewed as part of this survey for concern of client safety?

Mrs. Oleson: Yes, to the Member, that was part of the review.

Ms. Gray: Can the Minister indicate whether this particular survey was generated by the program director for Community Services?

Mrs. Oleson: Yes, that is correct.

Ms. Gray: Could the Minister indicate to us if Research and Planning has some specific concerns related to The Social Services Administration Act, specifically regarding regulations for residential care facilities surrounding safety of clients, information that is received by community residences so that appropriate planning can be done to ensure client safety? Are there specific concerns that Research and Planning has centred around this particular area?

Mrs. Oleson: This section is not actively particularly involved with the Act but the Act, as I said before, is being reviewed. The standards of care are being looked at, and all aspects of The Social Services Administration Act are being looked at, and I can assure the Member of that.

Ms. Gray: Would the Minister indicate to us if Research and Planning will be involved at all in the upcoming

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review and in any kinds of review that deal with The Social Services Administration Act?

Mrs. Oleson: Yes, this section is coordinating the review.

* (1530)

Ms. Judy Wasylycia-Leis (St. Johns): I have some questions related to the Research and Planning aspects of day care.

Mrs. Oleson: I am sure you have.

Ms. Wasylycia-Leis: I think we are all anxious to have some clarification about the announcement today, and on what basis the decision was made, and what research and planning was done to move the Government in this direction. Let me start with some questions seeking basic factual information.

How many spaces are now waiting to be funded in the non-profit sector? Are there those that are non-profit and operational but trying to make a go of it until such time as the Government will fund them? How many are non-profit but non-operational, waiting to be operational once they get funded? Let's start with that.

Mrs. Oleson: I might remind the Member that Research and Planning in this line of the Estimates is not involved in day care planning. The Day Care Branch is involved in day care planning.

Ms. Wasylycia-Leis: I think we have raised these questions before. I raised them the first day of Estimates to try to determine what policy directions the Government and the Minister were taking us in with respect to day care. At that time, one of the things the Minister said was she would be making an announcement and all of this would become much clearer and we would get information at that time. I am afraid that the situation is, by virtue of her announcement today, less clear, and I think some information is needed that surely must be housed within Research and Planning. There must have been some policy direction and advice forthcoming from her Research and Planning Branch.

So I would like again to see if I can get some information about spaces that are not funded in the non-profit sector, and I would like to know how many parents or spaces are waiting to be funded in the so-called profit commercial sector, so that we will have some understanding of how this plan will actually work.

Mrs. Oleson: I would suggest to the Member that there has been no research or planning for day care under this line. I would ask the chairman maybe if we could have some clarification of just what line we are on in the Estimates. I am quite happy to supply the Member with information on day care, but I wonder if it is not counterproductive to be discussing it here when the proper line is further on in the Estimates. Perhaps we could speed things up by getting through some of this and then getting to the line that she wishes to debate.

Mr. Chairman: Just in answer to that question, we are dealing with line (c)(1) Salaries, \$752,000, and I would

remind Members that the questions and discussions should be strictly relevant.

Ms. Wasylycia-Leis: Mr. Chairperson, could the Minister indicate what research has been done in her department around this notion of the subsidy travelling with the child, with the parent, where it has been tried before, how it has worked, and what results it has produced?

Mrs. Oleson: Mr. Chairman, there has been no research done on day care under this line. The research and the planning and all the work on day care comes under the day care line in the Estimates.

Ms. Wasylycia-Leis: Mr. Chairperson, we are on a line dealing with research and planning. By the Minister's own description in the Supplementary Estimates, there is a description of this branch's work and one of the lines right at the top of that description indicates that this branch is to provide policy advice or advice to the Minister and to the Government on all policy matters falling within the purview of that department. If this branch has done no research into day care, could the Minister indicate if this research and this planning in this direction is coming from outside of her department?

Mrs. Oleson: Mr. Chairman, as has been the custom, day care has been under the Day Care Branch. Any reviews, studies, research, planning, policy making and so forth has emanated from that department.

Ms. Wasylycia-Leis: Mr. Chairperson, could the Minister clarify the discrepancy between her news release and her ministerial statement regarding the number of new spaces that will be created—one statement mentions 900 new child care spaces, another one mentions 800? Could I find out which figure is correct and whether or not we are talking about new child care spaces?

Mrs. Oleson: Yes, I would take the opportunity, the number is 900. I am a victim of typo, I guess, in the ministerial statement—sorry about that. The 900, of course, are not all new spaces; part of that is the anticipated use of subsidies in spaces that are already there. As I remind the Member again, we could have a better of discussion of this under the Day Care line in the Estimates.

Ms. Wasylycia-Leis: Could the Minister explain how this system of subsidy, going with the child or the parent, will work, how it will be administered?

Mrs. Oleson: The 500 spaces, in addition to 200 that are now in place, will initially be allocated to families using existing licensed centres and homes. Depending on take-up, there may be room for further expansion to new centres. Approximately 25 percent of spaces in each unfunded centre and home could be subsidized depending on family need.

How it was going to be handled—the payment of subsidies would be handled exactly the same as in the public sector. The centre would send, at the end of

every four weeks, an attendance record. The amount of money for the subsidy would be paid to the centre on behalf of the child, the same as it is with the public centre.

Ms. Wasylycia-Leis: So in effect this concept of the subsidy going with the child is in effect the opposite of the public sector. Is that what the Minister is saying? Since she is saying it would operate the same as in the public sector, is it just simply another way of saying that there is a new policy in terms of funding spaces in the profit sector, in the commercial sector?

Mrs. Oleson: I am not quite sure that I understand what the Member is getting at. This is a way of giving parents the choice of where they have their children in care. The subsidies will go with the child. If the child moves to a private centre, their subsidy will go with them. We hope that this will be a flexible way in which parents can take advantage of child care.

The former Government did not see fit to let the subsidies go into private care. In some instances, they did have some that were allowed. We feel that it is important that parents have a choice and that it would be flexible to give parents the best possible route to go when needing child care. If the centre happens to be close to them and it is one that they wish to send their child to, it really should not matter whether it is private or public.

Ms. Wasylycia-Leis: To clarify my original question, I had asked about the method for administration of this new policy of the subsidy going with the child or the parent. The Minister responded that it would be administered and payment would happen on the same basis as in the public sector. Does that mean that this announcement today is just a fancy way or a cute way of saying that we have embarked on a new course, a new policy, with respect to taking public money and taxpayers' money and putting it into the profit, commercial sector?

Mrs. Oleson: There will be a cap on the number of spaces that will be subsidized in the private sector. It is a way, and I will repeat, giving parents a flexible system. It will give them the opportunity to be subsidized in a private centre, but the centre still has to be licensed, still be regulated, just the same as the public. There will be standards in place. I think the Member and I could probably argue for some time philosophically on this, but we feel that this gives parents some flexibility and some choice.

Ms. Wasylycia-Leis: I am not at all trying to discuss this on a philosophical basis at this time. I think we will come to that. I think right now we are all trying to understand how this new system can be administered, how it would actually work, and how it will actually improve the child care situation. Could the Minister clarify what that means? She has said that the subsidy will go with the parent and the child to a private day care space or centre, but that that centre will have to be licensed and meet all the standards of the current standards that have to be met in the non-profit sector. What does that mean, that they will have to be licensed,

that they will abide by the rate structure that is now set down for the non-profit public sector?

Mrs. Oleson: What we have here is putting some flexibility into the system so that the subsidies are flexible; 500 spaces, in addition to the 200 now in place, will initially be allocated to families using existing licensed centres and homes depending on take-up. There may be room for further expansion to new centres. Approximately 25 percent of spaces in each unfunded centre and home could be subsidized depending on family need, so that the maximum fee is still \$12.80 a day. Subsidies will be the same, whether it is in private or public centre.

* (1540)

Ms. Wasylycia-Leis: I am still not sure on what licensing standards will have to be met by a centre in order to be able to receive the subsidy that is coming with the parent or the child. I am assuming, on the basis of what I have read and what the Minister has said, that a parent can be subsidized but does not simply get cash on hand to take wherever he or she would like, but must get placed in a centre that the Minister says must be licensed, which, if it must be licensed, must abide by the rate structures set by the province. Therefore, it would most likely be a non-profit centre since I do not think anyone believes that one could make a profit based on the rate structure that has been set in place, and indeed that was not the purpose of the rate structure. If one could make a profit on the basis of that, it would either be cutting the already meager salaries of staff in half or by totally eliminating any quality, any standards in terms of care of the children and parent-teacher ratios and so on.

On the basis of that description of that system, I still do not understand how this will work. I am still asking the general question: how it can possibly work.

Mrs. Oleson: The licensing standards are the same as they have been. They were in place when the Member's Party was in Government. They are still in place. We do not want any downgrading of standards. That is a given. They must be able to be licensed in order to provide care for children, and the licensing is unrelated to the subsidies. The subsidies will go with the child. The day care operator will apply for them the same as the non-profit and, based on an attendance report, they will receive the subsidy. Of course, parents get varying subsidies, as the Member may know, and anything that is the parents' responsibility will be paid by the parent directly to the centre.

Ms. Wasylycia-Leis: Would the Minister clarify if the subsidy goes, if the parent is paid directly, or the subsidy is paid through the centre?

Mrs. Oleson: I indicated before that the centre would send in an attendance report, the same as the other centres do, and it would be paid directly to the centre, and the parent, if there were any difference, the parent would pay that directly themselves. It is done exactly the same way as the 200 that have been in private

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centres in the previous administration. It is going to be done the same way.

Ms. Wasylycia-Leis: Yes, 200 spaces that are funded on the basis of a grandparenting arrangement, in order to ensure that it was not simply a cut-and-dry situation with respect to those centres, and the move to a non-profit community-based system.

Could the Minister indicate to us now if she is aware of 500 spaces in the profit sector, if there are 500 parents eligible for subsidies, waiting to be funded, or on waiting lists of private centres, or are now paying the higher rate of private centres?

Mrs. Oleson: The number 500 is based on an estimate and it is based on 25 percent take-up per centre or home. There may be more people that want to take advantage of this, but that is the number we have allocated for this year. There may be fewer people take that up. It is hard to know exactly the numbers, but we feel that there are people—we know there are people because they have been contacting us—that would like to put their child in a private centre which is handy to them and are not able to now because of the funding arrangement. So we feel that this is a step forward in allowing them the flexibility they want.

* (1550)

Ms. Wasylycia-Leis: Could the Minister give us a rough estimate of how many spaces or parents or children we are talking about in terms of waiting and wanting subsidized space at a day care centre?

Mrs. Oleson: There are only 19 commercial centres at the moment. There are 17 in Winnipeg and two rural, with a total of 1,159 spaces; that is full-time spaces. Now, we do not know whether those people who are using those would qualify because there will be income tests and so forth. So of those 1,159, they probably would not all qualify to have subsidies in a private space.

Ms. Wasylycia-Leis: Could the Minister then clarify that through this policy and this announcement today, that 900—to use her words—new subsidies will be created; that 500 of those will be going to a system that totals 1,159 spaces approximately, while less than 400 spaces will go to meet a system where there are at minimum 8,000 non-profit unfunded spaces as part of a total system that is at least 15 times the size of the private day care system she is describing.

Mrs. Oleson: I am not sure where the Member gets the 8,000 number because that is not a realistic number. She may be hearkening back to the proposal that was sent to the federal Government by her Government in which they suggested that over the seven-year period, there will need to be 8,800 spaces. Maybe that is where she is picking up that 8,000 number from, otherwise it is a not a realistic number.

Ms. Wasylycia-Leis: That is why I started off with my questions trying to get a handle on those numbers and statistics so we could have some measure for

determining the potential effectiveness of the announcement today. It is my understanding that there are at minimum 4,000 spaces—4,000 parents or children waiting to be funded in the non-profit sector; that there are another 4,000 at least as part of a day care system, a non-profit, community-based co-op family-run day care system that are running but without the benefit of any Government assistance and are trying to get by on a day-to-day basis through selling raffle tickets and holding bake sales and what not, so that we are talking about a minimum indication of demand in the non-profit sector of 8,000, and I am sure that far underestimates the situation that the real demand is much, much higher than that.

So my question is on the basis of that knowledge and that information. Can the Minister justify funding less than half of these supposed 900 new subsidized spaces for that sector and more than half of that number for the profit sector where the demand has to be much, much less, based on the fact that there are 1,159 approximate spaces in that sector. How can she justify a public policy expenditure of taxpayers' money in that way and proportion it that way and in a way that does not at all resemble the need, reflect the need, try to respond to the demand that is out there from the community?

Mrs. Oleson: The Member indicated a waiting list of 8,000, which is not correct. I think she is thinking of seven years in the future with the projections to the federal Government. She then indicated another number, I think she said 4,000. Our waiting list, as close as we can come, is 3,500 spaces. Several of those spaces are in existing centres already. They may very well be taken up by this change in subsidy policy.

I am wondering if the Member really wants low-income parents who are in need of child care to go without the subsidies, to go without that help just because they happen to live near a private day care centre, or because they choose to send their child to a private centre. Is the Member really wanting us to deny those parents any help. Those 3,500 spaces, I might add, on the waiting list have been there for some time. They did not occur the minute I stepped in the door of that department. They were there while the Member was in Government. To indicate that we should provide 3,500 new spaces or 4,000 new spaces or 8,000 new spaces in this Budget, I think is bordering—or not even bordering on ridiculous, it is ridiculous. We are attempting to make this day care system as flexible as possible to address the needs of parents, parents who have told us that they need this help in order to get adequate day care for their children at a place close by or a place of their choosing. We cannot possibly address the waiting list in one year. It would be wonderful if we could, but we have to address it in stages and get help to the people who need it. I think for the Member to throw around numbers like 8,000 and so forth is very misleading.

Mr. Darren Praznik (Lac du Bonnet): I would like to address some questions to the Honourable Minister with respect to Research and Planning and departmental activity in the area of Native policy

development and the tripartite negotiations which were being carried on between the Province of Manitoba, the federal Government and various Native organizations.

I notice, in line three, under activity identification, there is reference made to various tripartite negotiations being carried on, or that have been carried on by the department in the last year. I was wondering if the Minister could inform the committee as to what specific negotiations are being referred to in the document.

Mrs. Oleson: For the Member's information, it is Native Child Care Services that we are looking at and services to children off reserves.

Mr. Praznik: With respect to Native children off reserves, would the Minister have an approximate number of children that we are talking about in that particular area?

Mrs. Oleson: I am sorry, I cannot give the Member a definitive answer. I cannot give him an exact number. No.

Mr. Praznik: On another particular matter, I notice under the Expected Result section of the document, there is discussion about a plan to facilitate access by disabled persons in the community. I was wondering if the Minister could, this being the Year of the Disabled, give the committee a brief report on the activities of her department over the year in that particular field.

* (1600)

Mrs. Oleson: Mr. Chairman, there is a secretariat within the Research and Planning Branch to do with the Decade of Disabled, and we have been quite active in discussions. The person who is in charge of that, I met with him just recently and asked him to provide me with specific information on the Decade and projects that were ongoing. He has indicated also that they are doing some brochures and so forth that would be available later.

I met recently with the League of the Physically Handicapped and, at that time, they were most interested in just how we were progressing with the Decade. I indicated to them this Government's commitment to working toward greater accessibility to Government buildings, greater accessibility to meetings and so forth for people with disabilities. We had a very pleasant meeting and, from that meeting, the coordinator of the Decade is going to bring forth some information to me that the people had wanted.

I think it is progressing quite well. There will be other functions planned in the future, no doubt, for the Decade to honour it and to make people aware. One of the functions of the Decade is to bring to the public some awareness of the problems suffered by people who are disabled in their accessibility to buildings and also their accessibility, when they are at a meeting, to be able to hear what is going on and so forth. It is a very important function that director is performing. He is bringing it to my attention, and there are plans to make the information available to the public.

Mr. Praznik: Mr. Chairperson, I would like to congratulate the Minister and her department and the Department of Government Services. It is my understanding that committee rooms, and correct me if I am wrong here, in this building have been fitted with special devices to assist the hearing impaired at attending meetings in this particular building, and that there are several other developments that have taken place including an improved access way to the facility on the west side of the building. Her department, as well as the Department of Government Services, should be commended for those efforts. We certainly hope that the Government continues to make this building and all Government buildings more accessible to those who suffer disabilities or handicaps.

If I may ask the Minister as well, with respect to Research and Planning, for a brief report again on a particular agreement that her department signed with the federal Government some year ago, that the Government of Manitoba signed with the federal Government. I believe it was a social services agreement that provided for some \$6 million in federal assistance matched by the province. The name of the particular program escapes me at this time, but it allowed for topping up, fulfilling special needs, etc., to allow people who otherwise would be on social assistance, to assist them in having job opportunities or retraining opportunities—the criteria, I believe, were extremely flexible—if the Minister could perhaps give us a brief report on the progress made under that agreement over the last year and the number of people who have been assisted by it.

Mrs. Oleson: The Member may not be aware, but this falls under the other department. It is my other half. But I do want to say, yes, that program has been very successful. I cannot give him the numbers because the staff here are from Community Services Department, but it helps people in that they are able to get jobs without being on social assistance. That of course is something we are all working toward.

Mr. Chairman: On item (c)(1), Salaries, shall the item pass? (Agreed)

Going on to (2), the Member for Ellice.

Ms. Gray: In my last question to the Minister, I just want to clarify, I understand she did indicate that the Research and Planning Branch would be heading up the review in regard to residential care services, etc., and the concerns that have come out of the inquest.

Mrs. Oleson: The review that I indicated was the review of The Social Services Administration Act.

Ms. Gray: Could the Minister outline for us specifically what key areas within the Act or the regulations will be discussed or looked at?

Mrs. Oleson: I must remind the Member that review and study of the Act is in its preliminary stages and, as I indicated, I have not had time to go over even the preliminary report. So I will be hoping to be looking at that later when we are finished the Estimates—hint, hint.

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Ms. Gray: The Minister has indicated the review is in its preliminary stages. I would assume then that a scope and intent of the review have been developed. Could her staff provide the Minister and, therefore, the Minister provide us here today what the scope and intent or the purpose of the review is, what major areas will be looked at?

Mrs. Oleson: I indicated to the Member before the things that were going to be studied. I could read it into the record again if she so wishes.

Ms. Gray: Would the Minister be prepared to table the scope and intent of this particular review, and give us a time frame on when they plan on the review being completed?

Mrs. Oleson: As I said, I read into the record the scope of the review a little while ago. I do not think there would be any necessity—it will be on Hansard, she can read it later. I had indicated before it would be hopefully by the end of this fiscal year that we would have that review completed.

Ms. Gray: Given the results of the inquest last week, does the Minister feel that in fact more priorities should be given to this review and that in fact it should be speeded up so that it is completed before the end of the fiscal year?

Mrs. Oleson: That is highly possible that it could be given more priority. I do want though the results of the other review that I am commissioning in order to help with the review of the administration Act, as well.

Ms. Gray: Could the Minister indicate to us the nature of the other review that she is commissioning?

Mrs. Oleson: I indicated to the Member earlier today in the Estimates that I would be announcing and providing information on that review later, and, of course, we will be wanting to look at all the recommendations of the inquest as well. I am concerned that we have as much information as possible when we are reviewing the administration Act so that we can make the improvements that are necessary.

Ms. Gray: In this second review that the Minister is commissioning, can she assure us here today that the roles and the monitoring function of residential care facilities and the roles of the various branches within her department will be clearly outlined and clarified as part of this review?

Mrs. Oleson: That will be part of the terms of references of the review.

Ms. Gray: The Minister had indicated that this client survey that had been conducted a while ago was there to ensure that there was client safety. As a result of the review, were there any safety measures or changes that had to be implemented as a result of all the client files being reviewed?

Mrs. Oleson: When the review took place, they made sure that parents were involved where they may not

have been before. No, there were not a lot of things that came up that really needed attention, but that was one of them. We wanted to ensure that parents were involved and we wanted to ensure, of course, that all safety measures were taken. As a result of that review, there has been more awareness on the part of workers, I am sure, awareness of safety.

Ms. Gray: Can we then assume or be assured that, as a result of that review, in fact we can be assured there is adequate client safety in the community residences?

Mrs. Oleson: We still want to enhance the whole program, so that is one reason for the review of The Social Services Administration Act. Another thing that came out of the review was that there were individuals who perhaps had adjustments in their program because it was found not to be quite adequate, so that was one of the things that also came out of that internal review.

Ms. Gray: Could the Minister indicate to us how many clients had adjustments made in their programs?

Mrs. Oleson: No, I have not got the exact number right now. It is a figure that I could possibly get for her but I have not got it with me.

Ms. Gray: The Minister indicated there were not that many changes other than some client changes necessary. Were there any changes within the community residences, specifically of Winnserv, that needed to be implemented, any policy or procedural changes that her departmental staff found in this survey?

Mrs. Oleson: I do not think it would be appropriate to discuss Winnserv, considering the circumstances surrounding the inquest.

* (1610)

Ms. Gray: Judge Newcombe himself has indicated that there needs to be a tightening up of policies and procedures, based on the information he received in the inquest. What concerns me is an indication from this client survey that in fact clients are safe, and yet there appear to be major concerns on the part of a judge about some policies and procedures within community residences. I would certainly see it as the part of the Government or the Minister and her Department of Community Services to ensure that in fact adequate policies and procedures are in place and to assist community residences in developing these policies where they are lacking.

Were there any indications from this survey that some policies in any community residences, and then I will speak specifically of Winnserv, needed to be tightened up or needed to be improved?

Mrs. Oleson: Yes, there were some concerns raised and they were attended to. Also, yes, we do have ongoing concerns and I do not think anyone would ever say, oh yes, we are perfectly satisfied, all our programs

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are working perfectly, and all the residences are perfectly planned and organized and so forth. That unfortunately may never be the case that we could say that. We always work toward improving what we have. We work toward perfection but, as the Member knows, it is one of those elusive things in this world that we never get to.

Ms. Gray: I am not concerned about perfection. I know that is an ideal state. It would be nice to have even half-way to perfection.

What I am trying to raise here are grave concerns about the whole residential care system and if reviews are being conducted by Research and Planning. What we are trying to do is get information here, because many parents across the Province of Manitoba are very concerned about their mentally handicapped sons or daughters who go into community residences. Unfortunately, there has probably been a negative backlash because of this unfortunate inquest that has occurred. I would see it as a responsibility of the Government and for Research and Planning to be aware of as much information as possible as they enter into the review.

The Minister has indicated that she was not aware of how many clients needed program changes. Is the director of programs here today to provide us with more detail on the survey?

Mrs. Oleson: There were very few, apparently, who needed changes to program, but the regional directors are mandated to provide all services to clients and to ensure the safety of all clients. These would be attended to as part of their day-to-day operations, to make sure that everyone was safe. This is why we have staff to monitor these residences, and everything that we can possibly do to make them safe is being done.

Ms. Gray: Can the Minister then assure us that regional directors and regional staff in Community Services are fully aware of what their responsibilities are in regard to monitoring of community residences?

Mrs. Oleson: Individual program plans are supposed to be in place for every individual who is in our care, and those are planned processes and programs in which all interested parties are supposed to be involved, the parents and the workers and the parents particularly. Now, since the directive, the staff are bound to have parent input in the programs. So that is how the managers of homes and the staff have input into how the clients are to be cared for.

Everything regarding a program for a resident is put through a process whereby parents are involved, the staff are involved, and the resident is thereby assured of a safe home in a hopefully home-like setting.

Ms. Gray: With regard to the individual program plans, was there any indication when the client survey was done that the specific Community Services workers are aware of the policies and procedures in place regarding individual program plans, bathing procedures, life skills, teaching procedures with each client? Are they

responsible to ensure that those particular plans are appropriate and are in place?

Mrs. Oleson: There is nothing to indicate that they were not aware of all these requirements.

Ms. Gray: Can we then assume that, if there are situations in community residences where inappropriate procedures or policies are not followed within a community residence, that responsibility would lie with the Community Services worker for not recognizing or being aware of that?

Mrs. Oleson: It would lie with the service provider and not with the individual worker.

Ms. Gray: Now I am asking for some clarification, because I am now not quite sure how the Minister then views the role of the Community Services worker in regard to clients that they would have in community residences.

* (1620)

Mrs. Oleson: If the worker sees some problem, they take it to the care provider, who in turn is responsible for ensuring that the person is well taken care of, that program is being provided and that the person is safe. If there were some adjustments to be made, then they would be made, but the individual workers would have to bring it to the attention of the care provider.

Ms. Gray: Could the Minister of Community Services (Mrs. Oleson) tell us approximately how often these particular Community Services workers may visit community residences and spend time with the staff there and their clients?

Mrs. Oleson: It will depend on the needs of the client how often the visits were, and also the worker and their caseload. But it would primarily revolve around the needs of the individual person.

Ms. Gray: This client survey that was conducted by the director of Programs, is this individual still the director of Programs?

Mrs. Oleson: The coordinator of residential services did the survey and that person is still there, yes.

Ms. Gray: I understand that in Research and Planning or that some staff from Research and Planning were involved in a review of Programs Branch. Could the Minister tell us about the nature of that review?

Mrs. Oleson: It was a review of the personnel practices within the division, of communications within the division, the clarification of roles of employees, and also it involved accountability.

Ms. Gray: Could the Minister tell us where the initiation for that review came from and, also, what the recommendations were that came out of that review?

Mrs. Oleson: The Deputy Minister had initiated the review. It resulted in recommendations of changes of structure and accountability and changes in personnel.

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Ms. Gray: Could the Minister tell us what specific changes in personnel were made?

Mrs. Oleson: It resulted in changes to personnel policy and in job descriptions. It involved the reassignment of personnel.

Ms. Gray: Was the director of Programs reassigned?

Mrs. Oleson: Yes. He was reassigned.

Ms. Gray: Could the Minister tell us why the director of Programs was reassigned?

Mrs. Oleson: The changes were made because of performance and also a difficulty with structure and accountability. In the review, there were many staff who had input into it; 43 staff, as a matter of fact, had input into this review. The changes that were made were apparently acceptable to all of them. That was the general consensus that those changes were needed to be made.

Ms. Gray: Where was this particular individual reassigned to? Has he maintained his current salary? Is he in a permanent position, a temporary job?

Mrs. Oleson: The staffperson was temporarily assigned to one of the regions. The salary and remuneration is under review.

Ms. Gray: Could the Minister of Community Services (Mrs. Oleson) tell us what exactly the nature of this assignment is of this individual to one of the Winnipeg regions?

Mrs. Oleson: He is in one of the regions assisting the other supervisors.

Ms. Gray: Is the Minister aware that in a particular Winnipeg North region there are some difficulties with the Community Services program and having difficulties between supervisory staff and regional directors?

Mrs. Oleson: Yes, I am aware of those problems.

Ms. Gray: Could the Minister tell us why an individual, where it has been indicated there were some performance difficulties, would be moved to a region to assist in a program and be moved to a region where there are already some difficulties? Could the Minister please explain this?

Mrs. Oleson: The problems were mainly structural and organizational. This is a temporary assignment.

Ms. Gray: Is the Minister indicating to us that the individual who is the director of Programs was not moved from that particular job because of performance difficulties or because of many, many concerns expressed by staff in Programs Branch about communications and management-staff relations?

Mrs. Oleson: There was some restructuring in the department. That made the Programs director's job

redundant. That individual was temporarily assigned to one of the regions.

Ms. Gray: Did staff in Programs Branch express any concerns during the review regarding staff-management relations and communication difficulties?

Mrs. Oleson: Yes, there were personnel problems. They were expressed to the people doing the review. I am sure from time to time there are problems in staff and they have to be dealt with. As I said, in the restructuring of the department, that job became redundant. The people report directly to the Assistant Deputy Minister. The person involved has been transferred on a temporary basis to one of the regions.

Ms. Gray: Could the Minister indicate to us if it is her department's policy that, where there are performance problems which are evident or indicated on the part of one of her middle managers or senior staff, it is the practice, rather than dealing with the problem, to simply move them to another part of the department?

Mrs. Oleson: The practice is to deal with the problem.

Ms. Wasylcyia-Leis: Just to make life interesting this afternoon, we will go back to day care.

We left off with some discussion over the numbers of spaces in the system, the non-profit system versus the private sector and so on. I do not want to get into a dispute over numbers, but I do want to put on the record that it is my understanding—and I do not believe the Minister will refute this—that there are some 15,000 spaces now in operation in the non-profit sector. That includes almost 4,000 spaces that are currently not now being funded by the province, many of whom would be on waiting lists, many of whom have been anxiously wanting to hear from Government about some funding. In addition to that, there are at least 3,500 parents on waiting lists of centres that are in the non-profit sector and not operational because they are waiting for Government support.

* (1630)

So we are talking about a system of approximately 15,000 spaces with over 3,500 on the waiting list that are not operational, for which the Minister's proposal today would address only about 320 of that number, compared to a system of about 1,159 approximately, to use the Minister's figures, spaces in the private commercial sector, without any indication of how many parents are on waiting lists, waiting to receive a subsidy so that they could be a part of one of those day cares to which the Minister today has pledged funding for some 500 spaces.

I come back to my original question which is: On what basis can the Minister justify making a decision that would allocate on this basis, in these proportions, taxpayers' money, valuable scarce resources to meet the child care demands in the Province of Manitoba? On what basis can she justify it? What is the rationale? What factors were taken into consideration when she made the decision? How can she justify making this

allocation of resources that does not at all take into account demand and need in the system?

Mrs. Oleson: I should remind the Member that the same amount of money that was going to be used to provide 500 spaces by her Government is now providing in a much more flexible way 900 spaces. We want to provide as many spaces as we possibly can in order to meet the needs of the parents of Manitoba. I am very proud of the fact that we can use the money to this advantage to help people to get a flexible system where people have choice.

Ms. Wasylycia-Leis: I think the Minister is really trying to pull one over Manitobans today. She will not give any indication of how this new concept, this new policy, will actually work, what demand it will need. No numbers have been given about demand with respect to parents waiting for funding that are now either part of the private day care system or wanting to get into the private day care system.

She is distorting the statistics and the picture of the previous administration. She knows full well that there were a minimum of 500 spaces, and more likely 700 spaces, to be funded under the previous administration's Budget, all of which would have been directed to going some distance. I am the first to admit that it is certainly a long way away from the target in meeting the demand, but it would have made steady progress towards meeting the demands and the parents on waiting lists now, to meeting the demand that is already identified, that is identified in clear numbers, in very clear situations. We are not talking about maybe, and if, and we do not know, but we are talking about a minimum of 3,500 children or parents wanting to get into the system, wanting to get into a non-profit day care centre. She knows full well that the previous plans were to move towards reducing that waiting list, not some unknown, unclear number in the private sector.

Could the Minister indicate how many new spaces her proposal will actually create? She says in her press release and in her ministerial statement that we are talking about 900 new spaces. She has said subsequently that is not necessarily new spaces. Could she please indicate for the record how many new spaces, brand new spaces, this policy, this decision, this announcement, will actually result in?

Mrs. Oleson: The parents have indicated that they want more flexibility in the day care system. That is what I am responding to; \$590,000 of \$7 million is going to private for flexible subsidies, 2.8 percent of the total Budget. So I do not know what the Member is getting so excited about, but for the Member's information, 320 spaces in public centres, that is schools, existing centre expansion, and new centres will be created in this Budget; 100 spaces in public centres for rural and shift day care; and 500 flexible subsidies in private centres and homes, that is non-funded centres and homes which may be commercial or non-profit but not otherwise funded.

So that is the breakdown of the 900 spaces, and as I have indicated to the Member before, we are

concerned in making this a flexible system where people have some choice, people have indicated to us that they want choice. That was a subject that was raised and has been raised numerous times with me. That is the breakdown of the 900 spaces.

Ms. Wasylycia-Leis: I guess I do not add numbers very clearly. I do not know how 500, which is the number of floating subsidies, if you will, the Minister is talking about, subtract this from 900 leads to the kind of numbers she is talking about. It is 320 new spaces and then she throws in a 100 in terms of rural, and 100 in terms of shift-workers or whatever. I mean her numbers do not add up.

The real question I have to ask is how many new spaces will be created with this proposal. Let us just look at the part of the proposal that talks about 500 new subsidies. How many of those will result in brand new day care spaces in Manitoba that will go some way to meeting the incredible long waiting list we now see in Manitoba? How is it going to deal with the problem?

Mrs. Oleson: The 500 flexible subsidies in private centres in homes will fund 500 children who have not been receiving subsidies. That will be a great help to the parents involved. I think if you ask them, they would be very pleased with that.

Also, as I indicated before, the 320 spaces in public centres—schools, existing centre expansion and new centres—and 100 spaces in public centres for rural and shift care, that is over 900 spaces. If the Member wants to add it up, it is 920. I was giving a conservative estimate, shall we say, when I said 900.

Mrs. Gerrie Hammond (Kirkfield Park): I feel that listening to this debate, we all recognize that we have a good day care system in place. No one doubts that for a minute. What was wrong with the system in the first place, and that was the Conservative perspective, was the fact that it did not have any flexibility in the system, very little at all. Everything was what I would consider a 9-to-5 system.

What we are trying to do here, and we stated during the election, was that we feel that where a single parent lives near a private or for profit—if the Member wishes to choose—centre that this should be her choice. Why on earth would we ask a parent to hop on one or two buses to get to a subsidized public day care that is not near where she lives? This creates, I think, problems that do not need to exist. What is the matter with parents having choice in the system? We have said time and time again that there is nothing wrong with choice as long as everybody is working under the same rules, and that has been the case.

* (1640)

If all the spaces are licensed, there should be no problem between either non-profit or private day cares. In the most cases, the day cares that we are referring to are run by women who have been teachers, or social workers, or just parents who would like to be out in the work force but they prefer to work with children

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and this has been their choice and there is no reason to believe that this will hurt the system at all. It can only enhance and help parents get care and help for their children in a way that puts a little common sense into the system

To suggest that everything, because it is non-profit, is good and everything that is for profit is bad is probably a matter that the N.D. Party and the Conservative Party are not ever going to agree on. So to continue on the line that this is not going to be good for children, I think that if parents have a choice and if they choose a centre that is for profit, because they feel it is a good centre, it is run well, and certainly if there are any problems, the care of children and the proper care of children is what we all want. To suggest that children going into for-profit centres is going to harm them in any way or is even going to harm the system, I doubt that.

What we have to do is start to build in this flexibility and let the non-profit and the profit centres start working together a bit. Because one thing that we all want are that we end up with kids that are getting proper care, with parents who are in positions of not being able to and making it very difficult for them. There are a lot of single parents or both parents who are having to work where they need the subsidy. They do not necessarily have cars. They are not like ourselves, who maybe hop into a car and take our kids somewhere. That is not what happens with them. They have to hop on a bus. If they have to hop on a bus, they have to hop off a bus to get their child into a day care. Then they have to catch another bus on their way to work. I really feel that if there is a chance that we can have some extra centres that will take in children that are closer at hand, surely the parent has the right to make that choice. If we can help them out, I think that that is what we should be doing.

I think instead of just downgrading the proposal that has been made by the Minister and suggesting that we are not putting enough spaces in—it was very good for the NDP, I think their last round, and I do not have my last Estimate Hansard at hand, but I will look it up—to say that we are going to supply so many day care spaces, and then when the reality of it came about, of course, it was not anywhere near what they had said was going to happen. So it is one thing to promise. If we can promise these spaces and actually deliver on them, we will have done something that is very good for day care in Manitoba. I think that rather than knock this proposal, I think that we should be commending the Minister on doing a good and fair job, and hoping that she is able to get on with working within this system, get it started. Because one of the areas that especially, and I guess I have been harping on it for years, is help for shift workers and help into the rural areas. I think it is most important. I am not a proponent of kids being in a bed somewhere other than their homes, insofar as 24-hour day care is concerned. I think what most parents prefer is that their children are in their homes and in their own beds at night. This does create another problem and another area that we have to look at very strongly, to help these women keep their kids at home and in their own beds while they go out to work. Because I really feel that if somebody is on shift, and if they are

a waitress and they go to work at four and come home at possibly two, there is no way they are going to be picking their children up at two in the morning. So does this mean then they have to come back at seven in the morning and pick up these kids?

There has got to be some practical common sense built into the system. While I feel very strongly that the system we have in place is good and we certainly want to enhance it, we cannot be put into a situation where we are so tunnel visioned that nothing outside that is good. Because I do not believe that. I think we want to give every opportunity to this Minister to have the opportunity to get some of this working.

Now there may be problems and everything may not be rosy when you get started in something that is a little bit different, but you at least get a chance to see what can be done within the system and all the time remembering that all spaces will be licensed, that there will not be anyone who will be dealing with these children, that someone cannot report in any way. We certainly want a lot of input from parents. No one is denying that, because they have to know what kind of day care centre they are in. I just feel that it is time that we got on with trying—not just trying, but working very hard to make this system work because it is so important to parents that when we start to take a bit of a new direction, they know that everyone is behind them and that there is a lot of support out there. I believe that the Government strongly feels that this is what we are trying to provide for parents with children.

The main thing is it is not the parents we need to worry about as much who have two big incomes. They need day care as well as anyone else but what we are looking for is to see that can we not make it a little bit easier for the parents who need subsidy—maybe not the total subsidy, but need subsidy—need help, but need to be closer to home and would like to have a choice. Surely to heavens we cannot be so—get ourselves in such a rut that we can only see one system and say one system works. I cannot believe that.

I feel we should be able to work and work very strongly to see that this system works. I feel that if we give it the same kind of dedication that we have given to the other, say the 9-to-5 day care, I feel that we will have a good program and one we are supporting. As we often hear in the Legislature, the proof is in the pudding. What I would like to see is if it runs into a bit of trouble here and there is that instead of getting as much criticism, that we also get some good constructive criticism into the system so that we can help make this work. Parents, once they get their children into a day care centre, are certainly not going to want to be changing willy-nilly as Governments change. I would hope that this is an area that we can look at some flexibility and look at working together to help parents and children get better day care, because I think we have had good day care and we will continue to have good day care.

Mr. Chairman: On item (c)(1), Salaries, shall the item pass?

Ms. Wasylycia-Leis: No. There are still many unanswered questions with respect to day care and

we must continue to ask them and try to get some answers. With all due respect to the Member for Kirkfield Park (Mrs. Hammond), if we were talking about a new and innovative approach to meet the need, then the Minister would have some answers for us with respect to numbers and how many spaces would be created, and how much the waiting list would be reduced by.

* (1650)

The fact of the matter is—and the statistics that the Minister gives will suffice themselves in terms of making that point—that is, on the basis of some 3,500 parents or children on waiting lists for non-profit community-based day care centres, that is most certainly spread around the city and around the province geographically. The disruption to families in terms of driving time, the disruption in terms of having day care that is far away from one's community or one's workplace is much more likely to happen and is happening because of the fact that we have not moved fast enough to fund non-profit day care centres, centres on waiting lists right now. Forget the use of the word profit and non-profit, let us talk about funding to meet the demand right now. On that list there are workplace day cares. There are shift work proposals. There are alternative creative arrangements. There are rural day cares. Every possible kind of day care to meet every kind of possible need I am sure is covered by that list of day cares and parents waiting to be funded, so that the question really does become one of the ideological blindness, or blinkers, of this Conservative Government.

If they are unprepared to start by meeting the need that is staring them in their faces, that is staring them in your face, then we are talking about an ideological question here. I am trying to ask questions to see if there is any ability on the part of this Government to be more flexible in its approach, to address that need, to meet that need.

There are many questions still remaining. Let me put some of them on the table. Time is running short again; it is nearing five o'clock. Let me ask some of those questions and see if we get some answers.

Let us start by, of the 320 spaces in the non-profit sector that the Minister is prepared to fund through this new proposal, how is she going to, on what order of priority is she going to fund those 320? How is she going to make the decision from the 3,500 on a waiting list? Is she going to fund the Provincial Government Employees' Day Care, which is a workplace day care? Is she going to fund the Action Day Care Centre in the North End, which has parents waiting to get into that day care centre because they cannot afford to take up a possible subsidized space in Charleswood? Is she going to fund where the need is most prevalent?

Funding an unidentified number of spaces, unidentified need, is not going to necessarily solve the problem. Why is this Government not prepared to start addressing the issues and the problems that are staring in its own face, in their faces? Surely, if we are talking about scarce dollars, we are talking about incremental change, we are talking about building on a system,

then surely we build on the basis of what has been good, where the demand is and where parents are crying out.

The Minister will say that she has heard from parents, and the Member for Kirkfield Park (Mrs. Hammond) talks about parents who are demanding flexibility in the system. I would like to know who those parents are, what organizations she has met with, why, if there is this concern in terms of new directions in our day care system, why that is not included in the task force, why the committees that have been struck to meet the terms of this task force will not be looking at this very question, so that we can, all of us, see what demands she is talking about, what flexibility she is talking about, because I have the opposite information.

I have petitions where parents from all parts of the city have argued that what they are looking for is more spaces, for proper trained staff, for salary enhancement programs, for quality day care. I have copies of letters that have gone to the Minister, that have gone to the Premier (Mr. Filmon) indicating in very clear terms that they never asked for more flexibility in the system regarding the subsidy transfer.

I can quote from these letters if it is order, Mr. Chairperson. They talk about the need for spaces, for funding, of spaces on waiting lists. Now they talk about trying to deal with the shortage of trained staff and the fact that, until we start to meet some of those needs with respect to trained professionals, we will not be any further ahead in the long run. They talk about the fact that professionals are making, at most, \$16,000 a year, far below any kind of professional standard.

They talk about all kinds of needs but nobody talks about needing flexibility so that they can move their child from a non-profit day care into a private day care setting. There has been no demand going from that direction. There has been lots from people in areas where they have not full access to funded non-profit day cares trying to get into a system and therefore turn to the only way they can, which is to say help us get somewhere. The answer surely is funding those centres in every part of our city, in every part of this province, to meet the demands she is talking about.

Can the Minister please try to enlighten us as to what she is trying to do with this policy that still does not make any sense to me, and, I am sure, will not make any sense to the majority of parents, the majority of day care providers, the majority of community leaders in this province?

Mrs. Oleson: I can assure the Member that we are not working from an unidentified need. She is trying to make the point—

Mrs. Wasylycia-Leis: Give us a number, then. Give me the number. I have no number.

Mr. Chairman: Order, please.

Mrs. Oleson: —that there was no need. There are people who have raised this. I have letters as well for the information of the Member. The Member indicates

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that people did not want flexibility? First, she said they did not want flexibility; then she said we have not got flexibility. I cannot really figure out what she is getting at there. If she does not want flexibility, then that is her problem. We wanted some flexibility in the system. We had requests for flexibility and the people are getting flexibility, and that is one important item in this.

So if the Member can make up her mind whether she does or does not want it or whatever, then maybe we will be a little clearer on the whole thing. The Member also indicates that they want more spaces. They are getting more spaces with this program. I would like to give even more space.

I mean, let us face it. It would be wonderful if I could get up and announce in the House that every single child in Manitoba who wanted day care was to be put in a day care and fully funded. That would be wonderful. The reality of it is we just do not have those kind of funds, and the Member should know that. She sat in a Cabinet. She knows how we have to spread the hard-earned taxpayers' dollars around.

Under this program, we are getting new spaces. We are getting more flexibility in the system, and we are working toward a better system than what we have had. I am not taking away from and denigrating the system that was in place but, like any other system, it is not perfect. From time to time, you have to evaluate it, look at it, and make some of the necessary changes that you feel are necessary. It is a fact of life. You do not just take it and say this is going to be the day care system in Manitoba, and this is going to go on forever and ever ad infinitum. You adapt to what the needs and the requests of society are.

I know that the parents are asking for more flexibility in the program. There are needs for more spaces. We are addressing that, not as fast as we would like to, I will admit, but we are addressing that. There will be more spaces provided.

After having said all that, I would like to remind the Member that we are not even on the Day Care line in the Estimates. The detailed questions really would be better answered in the Day Care line, if we ever get to it.

Mr. Praznik: I have sat here and listened to the Member for St. Johns (Ms. Wasylcia-Leis) talk about the tremendous problems in day care, the growing need for space, the petitions she has received, and I want to point out that she put it, from the City of Winnipeg, not from all over Manitoba. I would like to remind the Member for St. Johns that they were in power for six years. When you come into the Lac du Bonnet constituency and you talk to the day cares in that riding, as I have been doing, you realize there was even a sense that they were not being listened to on some of the easy problems that could be solved. I think that it is rather hypocritical that a Member of the former administration would sit here today and yell and scream at the Honourable Minister for not doing something which her administration was not able to do in their term of office. It takes time and money, and the direction is there.

She talked about flexibility. She had not had requests for flexibility. Well, I will tell you, if the Member for St. Johns . . .

Ms. Wasylcia-Leis: On a point of order, Mr. Chairperson.

Mr. Chairman: Point of order.

Ms. Wasylcia-Leis: On a point of order, both the Minister and the Member for Lac du Bonnet (Mr. Praznik) have clearly distorted what I was saying in terms of quoting from letters and petitions. I talked about flexibility in terms of subsidy transfer. I mentioned the fact that there has been no outcry for a floating subsidy, and I asked the question: Why was this not included in the task force as part of the terms of reference? Why was this one left out if there is such a hue and cry and a demand? That question has not been answered. Let them answer the questions.

Mr. Praznik: A dispute over the facts.

* (1700)

Mr. Chairman: A dispute over the facts is not a point of order.

On item (c)(1) Salaries, shall the item pass?

The hour being 5 p.m., it is time for Private Members' Hour.

Committee rise.

SUPPLY—INDUSTRY, TRADE AND TOURISM

* (1450)

Mr. Chairman, Mark Minenko: The committee will come to order, please. This section of the Committee of Supply will be continuing to deal with the Estimates of the Department of Industry, Trade and Tourism.

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): Pursuant to our discussions of prior meetings, I have provided to each of the critics for the NDP and the Liberals the memorandum to which I referred in one of my earlier meetings.

In addition, I would like to table today a list of the Regional Development Corporations, including their staffing and the types and positions of staff on Redeployment and Strategic Planning Communications, Business Development, Jobs Fund, Finance and Administration, InfoTech and Tourism. I do not have copies for everybody, so perhaps the Clerk can arrange to get copies made and distributed.

Mr. John Angus (St. Norbert): I thank the Minister for the appending information. I am sure it will prove valuable.

Given the amount of time that we have left in the whole Estimates process and given the fact that I know the Minister has many, many important job creation

type things to do and that his staff would like the opportunity to earn their keep on a more positive notion in their roles as professional administrators, I would like to expedite the budget process before us and go to specific questions. I am hoping the Minister will be able to answer them. One is job creation.

I noticed that liberally laced through the book that has provided the Estimates, there are estimates of 300 jobs, 100 jobs, 500 jobs on various pages. Can the Minister give just a general overview of (a) the number of new jobs he hopes to be able to create, and I recognize these are rough figures in total, and then some idea on some of the programs that he is going to be initiating to try and create these jobs?

Mr. Ernst: The staff are diligently working here trying to total up the numbers that relate to each individual page in the book. We do not have them as a total number. I will have that number for you, hopefully, very shortly.

There are a number of programs in place that will deal and create many, many of those jobs. I can run through them briefly if you like. The Venture Capital Program: the Venture Capital Program will provide up to 35 percent of the funding of the Venture Capital company up to a maximum of \$700,000.00. Presently, that program needs some revamping. It is my intention to do that, given over the next little while to see if we cannot get a more equitable relationship for the Government, including the Venture Capital Program. That opportunity, Venture Capital opportunities, we think will provide a number of jobs, and certainly is one that we would want to continue with.

The Manufacturing Adaptation Program is another program that we hope will see a number of Manitoba industries come into the late 1980s and 1990s. The Manufacturing Adaptation Program provides incentives, studies and some assistance in bringing high-tech applications to existing businesses. Those existing businesses today may operate on a relatively old-fashioned, shall we say, scale. By improving their productivity, they have certainly better long-term prospects and certainly prospects for expansion if their technology can be brought forward into the 1990s. So we would be continuing with that program as well.

Technology and Commercialization Program is one where we take an industry from somebody's basement where he has invented something, and try and put that into production over a period of time with certain assistance and so on. There have been, interestingly enough, a number of people have created new widgets, shall we say, new technologies for application and they are not always the end finished product. They may be a component of some other product but, notwithstanding, they have produced a number of opportunities, and we think that there are further opportunities in that area as well.

There is the Industrial Opportunities Program, which is basically a development agreement program that has been providing funding for a variety of industries. We have a number of them that have indicated they wish to go ahead, which will provide significant numbers

of new jobs. We have one just approved this morning, as a matter of fact, which will be announced in due course, but we think is a real bonus for Manitoba and we are looking forward to that. I can provide - (Interjection)- oh, we will tell you in due course. I do not want to make any premature announcements here but, notwithstanding, announcement or no announcement, the initiative is great and we are very pleased to see it occur.

We also have the Urban Bus Industrial Sub-Agreement together with Canada, so that we have a number of projects under way with this, and a major one proposed with Motor Coach Industries. So that we hope to see that get well off the ground as well in the next year.

The Small Business Growth Fund, which has been relatively successful in the short period of time that it has been in place, whether it is in fact a number, there is a board, a private sector board. The only politically related person is the Deputy Minister who sits on that board. The rest are private sector citizens, many of whom are well known to Members of the committee here and who have done a bit of yeoman's work in terms of trying to get this thing up and running. In addition to that, it is in need of additional capital and we think that, if we can encourage the private sector to invest significant new private sector capital, the fund will really become a very great benefit to Manitoba in the long term. So we see that the Small Business Growth Fund as well will provide additional support and additional jobs in the province.

* (1500)

We also have two offshore offices, one in Rotterdam, where we have an agent, and one in Hong Kong, where a number of entrepreneurial immigrants have been encouraged to come to Canada, make investments and create jobs here. We are hopeful that we can continue that work, look to other opportunities.

I had a meeting two or three weeks ago with my counterparts from across western Canada. B.C. operates 12 offshore offices; Alberta operates 10; Saskatchewan operates six; and Manitoba operates, at the present time, two. So we are taking a look at other opportunities to see if we can expand our horizons a little bit and look for other investment opportunities, other entrepreneurial immigrants who would come to this country to make their home here, to invest here and create jobs here. I think that is a very valuable exercise as well. Those are some of the things that will be occurring over the year to hopefully create the kinds of jobs. Do we have a number yet? Not quite, we will have a number shortly.

I would be prepared to table all of these explanations of each of the functions of those financial programs if that is of interest.

Mr. Angus: I appreciate the tabling of the information. I will serve notice to the Minister that if in fact he is here in the same responsibility—I am sure he will still be here but in the same responsibility next year—that I would like to ask him to measure the success of those

programs based on stimulating the economy with additional private sector investments and/or with the creation of identifiable jobs so that we can actually say we have invested X number of dollars in these programs and we have had this type of result. I am sure the Minister would want to be doing that regardless.

I also hope that his professional deputy will not become too politicized in the reign of Mr. Ernst as the "Khan" of Industry and Development, Province of Manitoba. I say that facetiously and in humour, and I am sure it is taken that way.

I would like to just zero in on specific programs that the Minister can tell me that he has developed or has got monies in the budget for, for high school students and/or university students. It seems to me that I remember reading an article very recently that suggested that the program that was in place this summer was not as successful as it had been in the past, and I would hope that he would be able to suggest to the committee what actions he was going to take in terms of addressing—I see some wonderment on the faces of the administration and the Minister on the other side, so perhaps they can tell us how successful it was and tell us what programs they intend to put in place for high school students in the City of Winnipeg in this budget.

Mr. Ernst: Mr. Chairman, the department has not been in the practice of hiring high school students for any programs. We did, in fact, hire eight graduate students to work in InfoTech.

Mr. Angus: Mr. Chairman, excuse me. If I could just interrupt the Minister. I am not talking about hiring high school students. I am talking about taking a program and putting it together that is going to help high school students get jobs in the economy, high school or university students.

Mr. Ernst: I ask, Mr. Chairman, if the Member for St. Norbert (Mr. Angus) can confirm that it is the Career Symposium that he is referring to.

Mr. Angus: I believe, Mr. Chairman, it was a Career Symposium type of program, and it was also one that the province cooperated with the federal Government in relation to student manpower placement. Regardless of the names of the programs, the types of programs, the question in its base form is: What has the department got in mind to try and help teenagers or young adults find employment at a time when they need extra money to help contribute to their education?

Mr. Chairman: Order, please. Just a moment, please. I would like to just check with Hansard to ensure that the question of the Member was, in fact, recorded. It certainly was not coming through the

Mr. Ernst: I think what the Honourable Member for St. Norbert (Mr. Angus) is referring to are programs that are located under Economic Security and Employment Services or vice versa. There are a number of programs and they are relating to high school students, both assisting them to get employment, to

provide certain salary arrangements and subsidies, etc., and those questions would best be asked when the Estimates of Employment Services and Economic Security come before the House.

Mr. Angus: While I appreciate the fact that we may never get to that particular Estimates portion, I wonder if the Minister would grace the committee with his intention of plans, programs or any ideas that he has that may help put that large group of generally employable but oftentimes unemployed youth into a position where they can go out and get jobs. What can we do to help them? What have you got in mind to help them find jobs?

Mr. Ernst: The Department of Industry, Trade and Tourism, apart from those few staff positions which were created in the Tourism area, does not get directly involved in the question of employment opportunities. There is a department for that and there is staff for that. There is a very legitimate function to deal with those issues, and the Member for Brandon East (Mr. Evans) well knows, who was the former Minister of that department. So it is not the intention of this department to get involved in those activities, but rather leave that for the appropriate department to deal with.

Mr. Angus: The questions were being raised as a direct result of all the jobs that this department was expecting to be able to generate, and I had hoped that they would have put in some specific programs for that. I will take his lead though and recognize that they have either discontinued or do not have a junior enterprising program or an enterprising development program for the young citizens of Manitoba. I can only assume that they do not have any programs to develop that type of employment in the country neither.

Let me move to other areas of employment creation and ask if you have any specific programs in here, in the Technology division, or in the Health Industry Development Initiative, or anything of that nature to involve working committees of businesspeople from the community to help accomplish the tasks and the objectives that have been stated. That is the first part of the question.

The second part is: Are the intentions to be able to create jobs directly or indirectly? It seems, Mr. Chairman, through you to the Minister, that oftentimes through here they are suggesting that they would like to create jobs and employment, and yet, when we come down to asking specifics on the programs and how they are going to do it, we are referred to another department to get the answers, so I am finding it difficult to ask specific questions when I get put off to other departments.

* (1510)

Mr. Ernst: First of all, let me say that all of the entrepreneurial assistance programs, including advice, including other assistance, the marketing network, any number of the programs within the department, are all available to entrepreneurs and it does not matter how old they are. So certainly youth entrepreneurs are well able to take advantage of all of those programs.

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In terms of private sector boards creating assistance, we have a number. The Venture Capital Program, for one, has a private sector board which administers and approves all applications under that board. The Manufacturing Adaptation Program also has a private sector board attached to it, and it approves all of the applications that go under the Manufacturing Adaptation Program.

The Marketing Network, Mr. Chairman, is a group of private businesspeople who have volunteered their time to be able to assist business, particularly small business, in developing their companies and to assist them in dealing with a lot of problems that they maybe have not experienced. We have a number of very seasoned business veterans in this community who have offered their time to assist those businesses, and we have any number of compliments on file from people who have said that they found that assistance very valuable.

As I indicated, the Small Business Growth Fund is composed almost entirely of private sector businesspeople who administer that fund and who are basically salesmen for the fund as well, going out to seek out opportunities for the fund to invest in.

There is one other. I cannot think of it just—I am sorry, Mr. Chairman, but there are a number at least, in any event, certainly that we have involved the private business community in and intend to involve them even further.

The Manitoba Research Council, I am sorry, also is run by a private sector board, by and large, so that—but there is every opportunity that I think we can involve the private sector, to use them as salespeople for the Province of Manitoba. I think they are the best salespeople of all. When a private sector businessman goes out and speaks to his competitors or suppliers or whatever to attempt to locate in Manitoba, he is the best salesman of all. He is here. He is doing business and, if he finds it okay, then certainly that is the highest recommendation we can get from anybody.

Mr. Angus: Mr. Chairman, I noticed through the book that there is a general increase in the expenditures of money for marketing purposes. Do you want to elaborate on that without me pulling out something specific, saying, what is that? Is it the intention to deviate from research and development to getting out and door knocking, as an example? I am just looking for general guidelines as to the way the department is intending to get out and sell its wares.

In Tourism, for instance, as an example, although you are not there yet, there is an extra \$1.1 million.—(Interjection)— Sorry, no, no, I turned to that page and opened it up and they are \$1 million up in that area, and so in other areas I have seen investment changes and some of them relate to marketing. More money is being spent.

Mr. Ernst: There has been some increase in investment promotion and so on, which is relatively nominal in the overall. The predominant thrust of increased marketing is in the tourism area and certainly has been sadly

lacking for a long, long time. I think the total budget for Tourism marketing, last year, was somewhere under \$2 million. We see substantial need for an increase in that sum this year in order to prepare ourselves for a major thrust next year in terms of tourism. That is where the predominant thrust will be in terms of increased market. We have to make Canadians aware, Americans aware, Europeans aware, all people in the world aware that we have great tourism opportunities here in Manitoba.

Mr. Leonard Evans (Brandon East): I understand that the Federal Pioneer Electric has been having some difficulties recently and there is some move to redeploy and maybe reduce the number of jobs in that company. Does the Minister have any information on Federal Pioneer Electric? Could he enlighten the committee as to what is happening with that industry?

Mr. Ernst: Is the Member for Brandon East (Mr. Evans) referring to the electric client in Brandon? We are not aware. Our department is not aware of any major problems with Federal Pioneer here, nor have they contacted our department.

Mr. Leonard Evans: Maybe you will want to check it out. I do not have the detail, but I heard that there was some problems in the possible reduction of staff. I wondered whether that had anything to do with any change in the provincial economic climate or just what might have caused that. Perhaps somebody in your department knows about that. You may want to follow it up and see what is going on.

Another industry, another company particularly I would like to ask is Almicro Electronics Inc. It received, I understand, about \$150,000 worth of assistance from this department. I understand that it has had some difficulties. It was placed in receivership earlier this year. My question is: Is the province trying to get that money back? Is that money owed back to the Province of Manitoba and, if so, what is happening?

Mr. Ernst: That is correct. Almicro Electronics, along with a \$150,000 technology commercialization investment, went bankrupt. The province is the owner of the technology. The province is presently in negotiations with another company in an attempt to have the technology put back into use and have additional manufacturing jobs created in Manitoba.

Mr. Leonard Evans: Was there any federal involvement in this venture, any federal Government help?

Mr. Ernst: Yes, there was substantial federal Government involvement.

Mr. Leonard Evans: I understand that Westford Sales (phonetic) have acquired the assets of Almicro. I am just wondering who are the principals in this company and how do they relate to the principals of the former company, Almicro Electronics.

Mr. Ernst: There were a number of Venture Capital partners in the Almicro Company. One of those Venture

Capital partners is the principal of Westford Sales. In an attempt to recover his investment, he is prepared to now go and look and invest more funding to try and put the matter back on the rails and to get it back on track.

Mr. Leonard Evans: Is the Minister confident that his department can help and effectively put this company back on track, to use his terms, so that this money is not wasted or, if this does not occur, is there any possibility of getting \$150,000 back from the company? Maybe the Minister made reference to that earlier, but I did not hear that.

Mr. Ernst: We are in negotiations in an attempt to have that technology put back into production. That is the important point. At this point to create jobs, to see another company get back into production, flourish and prosper in Manitoba is the key, and that is the area we are pursuing. We are very hopeful that in fact we will be able to assist these people in getting the company back into production, and that is what we want.

* (1520)

Mr. Leonard Evans: There is a company called Chemfet—I believe this is in the health industry field—and I understand recently that the company has been moved out of the province. Is that the case? Is my information correct, and how many jobs have been lost on that account?

Mr. Ernst: Chemfet is a company that has been in the process of attempting to raise additional private capital for its operations. While we expect to have an answer and a positive answer by the end of September, the Small Business Growth Fund is working with Chemfet to try and help them wherever they can. Chemfet has downsized its operations in Manitoba pending this additional capital recruitment process and, rather than create problems for itself, it is attempting to secure additional capital in order to better fund its operations.

Mr. Leonard Evans: The difficulty this company is having in Manitoba is strictly related to the capital financing aspects?

Mr. Ernst: Yes.

Mr. Leonard Evans: I have expressed from time to time concern that our Party has with the Free Trade Agreement that has been recently passed by the Parliament of Canada, and some of the negative implications it might have for industry in Canada and certainly industry now existing in Manitoba. I do not know why, but the Government seems to want to ignore the fact that, given that there could be some new jobs created, nevertheless there will be some old jobs which will be adversely affected.

Given the fact that there could be some new industries, the other fact is that there could be a loss of industries and there is an argument as to how many jobs would be created, and how many jobs would be

lost. It seems to me that this Minister and the Government has a responsibility, when we are talking about assisting Manitoba industrial development, to ensure that we do our level best to protect those industries that could be wiped out, if not entirely wiped out, at least seriously negatively affected by the winds of competition.

I know we all like to think of a bigger market providing for greater expansion, and indeed larger markets obviously provide for bigger expansion, but we become part of that market and we become, and our industries, our manufacturers become subject to the competition, will become subject to the competition by a lot of corporations, I would submit, who are a lot bigger than those that we normally have in this province or in our country. Therefore, many of these are not going to, in my judgment, be able to withstand the competition and could be lost to us.

There is one industry in particular that was brought up earlier by Members on this side. The Liberal critic referred specifically to McCain Foods Limited. I listened to a high-ranking official of McCain Foods Limited over the weekend on Cross Country Checkup, I think it is called. It is an open-line radio program coast to coast, and he was there categorically stating that they are going to lose jobs for some specific reasons. Among others, of course, is that the cost of food, the inputs into food processing are cheaper in the United States, if for no other reason, for geographical reasons. They have got a milder climate. California can grow tomatoes more cheaply than they can in Ontario. Potatoes can be grown several times a year in the American south, whereas we have a rather limited season and so on.

If for no other reason, the food supply is cheaper and he is suggesting that—I know McCain has been criticized as being really against the marketing boards and they are taking this opportunity to hit at marketing boards. Regardless of whether you have marketing boards or not—and we do support marketing boards in principle and I guess the federal Government is saying they want us to stay in those marketing boards. Mr. Crosbie was on the program saying we are protecting the marketing boards. Well, that is fine but the point is that, if McCain cannot survive, cannot sell its products because of competition from American companies, they will not be requiring any food supply from Canadian farmers.

I referred to this earlier on in the Throne Speech, there is a letter from the president of McCain to the former Premier, in which he says categorically that the proposed free trade deal with the United States is bad news for Canada's food-processing industry. There is no question that an important plant in Portage La Prairie, in my judgment and from what I have heard, will be adversely affected. I do not think we should close our eyes to that fact, to that possibility, but rather do whatever we can, assuming that the deal goes through.

There could be a federal election in the meantime. There could be a change of Government and perhaps this debate therefore is academic. That is a possibility. Nevertheless

An Honourable Member: Let the people decide.

Mr. Leonard Evans: The people will decide, of course. But nevertheless, it seems to me prudent on the part of any Government and a department such as this to ascertain what negative consequences might occur in the various sectors and to do whatever we can to stand by those industries, to stand by those companies to help them survive.

Maybe there is nothing to be done, but I do not think blind optimism is good enough. I do not think we can be blind to the fact that there are some very significant problems that are going to be created for the food-processing industry. Many, many leaders in that industry have spoken out, and certainly the president of McCain has spoken. Another senior person was on the radio, as I said, CBC Cross Country Checkup, stating categorically that there is going to be a loss of jobs. This is what happens of course, Mr. Chairman.

He said, you know, we can move. This gentleman was very, I think, clear in his assessment of the consequences. He says we can move. The company, the corporation can move. We can develop more facilities in the United States. We can put more throughput in some of our foreign plants. But he said the people who are going to be hurt will be the Canadian farmers and will be the workers. While capital may be free to flow across the borders, workers are not free to move. Workers cannot easily move. There is still going to be the prohibition for workers, Canadian workers, to go down and follow the investment that could take place in the United States, to follow the money, to follow the investment dollars.

So it is really unfair to farmers and it is unfair to workers what could be happening here. McCain is very straightforward about it. He said we will survive, but Canadian farmers are going to be hurt and the workers in our company will be hurt because we will not be able to retain them, because we will not be able to compete. So my question to the Minister is: What, if anything, is he and his department doing to prepare a program of assistance to the food-processing industry in this province where they have identified the need for some assistance?

Mr. Ernst: The Member for Brandon East (Mr. Evans) has laid a long and convoluted question on the table here. Let me say, first of all, I do not think anybody has ever said, supporter or detractor from the Free Trade Agreement, that it was the panacea for everything, that nobody was going to get hurt and that everybody was going to benefit. That is obviously not the case. Life is not like that. So I think we have to recognize that we have to look at who are the net winners and who are the net losers. The fact of the matter is that we see, and virtually every major study that we have seen up to this point has seen, that there are major benefits to Canada.

But let us look now at—the Member for Brandon East (Mr. Evans) refers to the question of the McCain Foods situation. I did not hear Mr. McCain on the radio or television yesterday, but I could tell you that I have reviewed his submission to the Senate committee. Let me tell you that 80 percent of what he said and what he brought forward before the Senate committee has

in fact nothing to do with the Free Trade Agreement. Those problems are problems that exist right today, will exist whether there is a Free Trade Agreement or not. Much of what he raises—and he has certain motives, commercial motives, and no one can blame him for that. That is his business and that is his way of operating. But the fact of the matter is that much of what he raises has nothing to do with the Free Trade Agreement at all.

In terms of the Manitoba situation, he told me in a face-to-face meeting in June in his office in Florenceville, New Brunswick, that fully 50 percent of the production from the Portage la Prairie plant is going to Japan. That will not be affected by free trade at all. As a matter of fact, we have been exporting potatoes from Manitoba to south of the border even with the tariff. So our competitive situation with regard to the potatoes and the potato producers is not at risk.

* (1530)

What he is worried about—and he has those commercial interests at heart again, and where he can buy his product at the least possible price and where he can beat the potato producers into the ground if he can on attempting to avoid getting into a marketing board situation with regard to potatoes. That is his ulterior motive. That is what he is concerned about. He does not want to see a potato marketing board in this country because he knows that, all of a sudden now, the producers of potatoes will have to get a fair and reasonable price for their product as opposed to whatever he can negotiate by letting potato contracts. That was shown this year in this province when he held off the potato contracts right until the last minute.

In addition to that, we have Carnation who are expanding their plant, doing the same thing, producing processed potato products from Manitoba. So if you have Carnation on the one hand saying they are prepared to expand and they are prepared to increase their production in Manitoba, how come McCain says the whole world is going to fall apart when he has a different scenario on the horizon at all, in my view I do not see, quite frankly, that Mr. McCain's tactics relating to an attempt to avoid getting a potato producers marketing board in this province are really—that is his ulterior motive, and I think he ought to come out and say it.

Mr. Angus: Just following up on that line, does the Minister have any concerns about the general demise of marketing boards under the Free Trade Agreement? How is he going to respond to replace them, and/or give those control on the stability to the price of the produce that is currently in place?

Mr. Ernst: Mr. Chairman, there is no demise of the marketing boards under the Free Trade Agreement. They are all protected.

Mr. Harry Enns (Lakeside): I enter just briefly into the debate because of some comments made from the Member for Brandon East (Mr. Evans). It seems to me that it is really the heart of the differences between

those who are proponents of the free trade deal and those who oppose it. The Member for Brandon East (Mr. Evans) quite correctly points out that there are going to be losers in the free trade deal. The Minister has acknowledged that, and the department knows that.

It seems to me the far greater responsibility on the department of the Minister is that: (a) the department be sensitive to those particular areas where there will be some hurt; and (b) that he uses the expertise within the department and his influence to ensure that Manitoba receives its fair share of transitional help available that has been clearly spelled out by the federal Government. In fact, it has been announced on several occasions in southern Ontario to the wine growers and Kelowna in British Columbia to the wine growers, if we had those areas.

But the fundamental difference is this. The Honourable Member for Brandon East (Mr. Evans) bemoans the fact that in some specific industries whose only job security is high tariffs, non-competitive nature of the industry that they are in, that they ought to be protected and protected and protected. No, my friend, that is where we part company.

There are certain jobs, there are certain manufacturing, there are certain things going on in Canada that ought not to be done in the interest of a greater and a wider trade agreement and trade practices between Canada and the United States, our biggest partner. If part of the problem that has been specifically alluded to is the structure of marketing boards in Canadian agriculture, which may well be—I happen to have my own strong opinions about marketing boards and what they have done to Manitoba.

The time that I was Minister of Agriculture in 1966, Manitoba enjoyed and provided 34 percent to 35 percent of the eggs on every breakfast table in Toronto. We now have something like 4 percent or 5 percent by virtue of the fact that we automatically lose out in the bigger game of politics when you talk about national marketing boards. Because just as our country is structured, so are all national organizations structured on the National Egg Board. There are at least six representatives from Ontario and another six from Quebec and the West gets one or two. So quota transfer has steadily shifted out of Manitoba, and I have always taken objection to it.

I was quite happy to buy my refrigerators, buy my automobiles from the Oshawa triangle, and do all the other trade advantages that Ontario had with us, but at least allow the rural part, western Canada, Manitoba, to do those things that we do best, mainly raise food. That has been allowed to have become distorted in the last 20 years in Canadian agriculture. We have lost our dairy share; we have lost our turkey share; we have lost our broiler and chicken share; we have lost our egg share on a steady, progressive basis to the eastern, to the central provinces, those provinces that appoint most members to these national boards.

Mr. Chairman, I simply say to the Minister, it seems to me that this Minister and this Government and his department can be and ought to be putting themselves

in a position to ensure that Manitoba gets its fair share of the transition help that has been already demonstrated is available to those areas that are going to be adversely affected by the free trade effect. It is particularly important that a smaller province like Manitoba do that in a forcible way, because we have to pound the table a little harder to get Ottawa's attention from time to time.

I think that the trade agreement, as currently set up, allows for a fairly generous and a fairly sensitive way of introducing these rationalizations within the industry that will take place. In many cases, it is a 10-year process. There is a lead time for, Minister's lead time, the department to be sensitive to those areas within our own economy that perhaps may be adversely affected and that deserve the kind of assistance that will be available to them, principally from the federal Government. I suspect there may be occasions where the provincial Government may have to look at specific instances: assistance in retraining, assistance in technical advice, how a firm can put itself into a competitive position, how a firm may have to drop a line and move into an entirely different venture still utilizing its plant and its facilities to take advantage of the greater markets, the wider markets open to us under the free trade.

It seems to me that it is not candid, it is not being forthright on the part of those who support the free trade deal to suggest that we can in any way, or that we ought to or that we want to, protect those non-competitive industries that are going to have some adverse effects from this free trade deal.

Mr. Ernst: I thank the Member for Lakeside (Mr. Enns), Mr. Chairman, for his comments and he is quite correct in many of the statements that he has made certainly, in terms of preparedness for adjustments that will be required in the economy as a result of the Free Trade Agreement and free trade as it will ultimately be known between Canada and the United States. That is what we are involved in at the present time.

The federal Government has a national adjustment body. It has provincial representation on that body and they are considering those industries who will be adversely affected. They have taken those who will be dramatically affected first and those who will be, I suppose, affected to some lesser degree on a secondary basis, so that we see no major, huge economic impact on an industry directly related to Manitoba such as the grape growers had experienced in B.C. and Ontario.

Let me say this too. Even those industries where we have had in the past people saying they are going to be dramatically affected and where in fact you have had on occasion some people involved in the industry saying they are going to be dramatically affected, we have had other people in the same industry come forward and say we will not be impacted and we see it as a great opportunity. So we have, I suppose, optimists and pessimists, one on either side. We are monitoring that very closely.

* (1540)

We are working with the federal adjustment panel to determine what actions need to be taken. Certainly

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we will be there on the doorstep of the federal Government to say, look, if there is a major impact in this province, you have the primary responsibility and it is going to be your job to foot the bill for that, to assist those industries that will be or may be adversely affected. Ultimately the proof of the pudding will be in the eating when we see which are impacted and which are not. I thank the Member for his comments and just to let him know and let all Members of the committee know that we are in fact working in that area. We are in fact concerned about what affects Manitoba industry and we will be monitoring that very closely.

Mr. Angus: Mr. Chairman, after weeks of trying to get some acknowledgement from the other side that there may in fact be losers in the free trade opportunities, I feel like the sun has risen, that we finally got a major breakthrough, that there is acknowledgement that there may in fact be Manitoba firms that are not going to see all of the benefits and only benefits that have been touted by the Government.

I would bring to the Minister's attention that indeed two different companies in exactly the same industry can come forward and have two different views on it, because a recent survey has indicated in the *Globe and Mail* today that 72 percent of Canadians feel they have inadequately understood the deal. So it is no wonder that -(Interjection)- that is all right, okay. I thought I had really upset you there, because let the record show that the Minister is just not paying any attention at all. He is wandering off to get a drink, as he said, a drink of water.

Let me ask—and I am appreciative of the Member for Lakeside (Mr. Enns), and I am appreciative that the indications are that the marketing boards are still going to be there to help control the prices and subsidize the Canadian industries which will maintain at least a level playing field on the Canadian market, and whether or not that is subject to countervails or not remains to be seen. The only unfortunate thing about the whole opportunity that is being proposed is we may find out when it is too late just how costly the investment and the deal is.

Let me ask very specifically: Has the department identified those industries in Manitoba that will be adversely affected by the free trade opportunities? Can they tell us what programs they are putting in place to help those specific industries?

Mr. Ernst: Manitoba is not faced with a situation like B.C. or Ontario with respect to their wine growers. Manitoba does not have that major impact situation. There may well be. Vegetable growers—there was one area that was identified. Yet we have the Member for Portage la Prairie (Mr. Connery) who is very large vegetable grower, one of the top five or six producers in the province, and he does not feel in his operation that he is going to be adversely affected by free trade. He sees other opportunities, other methods for him to be able to compete in the marketplace that he is involved in. So he sees free trade—he says it is not going to be easy. He is going to have to be very competitive. He is going to have to do all of the things that he ought to be doing, and he admits that.

We may not have the major, major types of impacts in Manitoba that are inherent in some other industries and some other provinces in this country. We are monitoring the situation closely, and we will as matters progress. Again the whole discussion, as I think the Member for Brandon East (Mr. Evans) indicated earlier, may be academic. It may be academic from a couple of points of view. The Free Trade Agreement may never see the light of day, on the one hand, and/or it will be passed and, regardless of what we talk about here in this building, in this Legislature, what the federal Government has signed and then put into law will ultimately be applicable to the whole country regardless.

But notwithstanding that, I think we want to ensure that any Manitoba industry that is going to be affected, we want to monitor their progress. We want to see what is going to happen to them. We have had some inquiry as to how the Free Trade Agreement may in fact affect some industries. We have had a number of industries that have come forward and said it is a great opportunity. As I say, we are monitoring the situation. We will see how it comes along and, as more and more information and more and more thought, I suppose, is given to it by people and analysis in terms of their direct industry, we will see from time to time little niches or glitches, I suppose may be a better terminology, where in fact they will be affected. We will be there to provide what assistance we can. We will be there to represent their interests in the national adjustment policy and the national adjustment funding that will go along with it.

Mr. Angus: With the utmost respect to the Minister, it seems to me the department should have been able to look at the impact of the Free Trade Agreement on Manitoba industries, Manitoba producers, etc., and been able to say these companies, these businesses, these people are most adversely affected. For him to stand up and say it may not see the light of day and whatever the feds do is going to impact on us so what we do in this building has nothing to say with anything is absolutely irresponsible.

If I can just say through to the Minister, Mr. Minister, your responsibility is to look at Manitobans. I agree that there may in fact be areas where the Free Trade Agreement is going to be very beneficial. I agree that we are competitive enough in this country to rise to the challenge of meeting those, but your job is to protect Manitobans and to look for those areas where it is not going to be helping it, where it is going to be a disadvantage to them.

They have set up a national adjustment body. Do we have players at that table? Do we know what industries are going to be affected? Have we identified them? Have we got programs in place? Or are we going to wait until places like Federal Pioneer Electric and/or Merchants Consolidated and/or anybody else shuts their doors and moves out and then say, boy, we should have been prepared? What are we doing in order to put money on the table right now, to look at the Free Trade Agreement as to how it is going to impact on Manitoba firms so that we can be in a position to create programs that will offset the negative impacts and not wait to have to react in a knee-jerk fashion?

Mr. Ernst: If the Member for St. Norbert (Mr. Angus) is finished with his tantrum, let me say this, that we are concerned about the question of adjustment for companies that will be adversely affected but they do not know who they are and neither do we. If the people in those industries do not know if they are going to be adversely affected—you have people in the same industry on the one hand say, yes, we are going to have great opportunities in the free trade and the other says we will not. Are we about to now embark tilting off at windmills, suggesting that we ought to put into place all kinds of spending programs to assist industries who may not be adversely affected at all? I do not think that is very responsible either.

Our job here in this Chamber is to ensure that Manitobans have the best opportunities available to them. It is not our job to stand here to try and protect every little industry that happens to be in Manitoba at the present time at the expense of the vast majority of people. That is not our job. Our job is to ensure that Manitoba companies, Manitoba businesses, Manitoba entrepreneurs have an opportunity in the future to have a guaranteed marketplace, to have an opportunity to expand, to have an opportunity to continue to grow, continue to provide the jobs that are so necessary for Manitobans. It is not our job to put our head in the sand and expect everything will continue as a status quo. It will not. Nothing ever stands in the status quo. We know that industry across this whole country will not stand at a status quo position. There is protectionism elsewhere.

In terms of the Free Trade Agreement in the overall scheme of things, in the overall world economy, who are the major players in the world economy today? The United States of America? The United States of Europe and Japan? Those are the major players. If we are not aligned with one of those major players, we are going to be a Third World country in terms of the economy, in terms of our ability to have a voice in the say of GATT and everything else in terms of overall trade negotiations. We will be a Third World country if we are not involved in some way with one of the major players. Other countries have recognized that.

* (1550)

Mr. Chairman, when the European Common Market goes to a common currency in 1992, it will be the United States of Europe. We will be faced with a major problem. We have got to get access to those markets. We do not want to certainly give up those markets, but we have to align ourselves with a major player. The major player happens to be right next door. It happens to be our major trading partner and happens to be one that we ought to be trying to do as much business with as we can. It makes only economic sense. We are not about to stick our heads in the sand and try and throw up a barrier at some point that says we will be able to protect our existing industries and still deal with the United States. We will not have that opportunity, Mr. Chairman, unless we have an opportunity to expand our horizons with them.

Interestingly enough, 75 percent of the tariffs between Canada and the United States were removed over a

period of about 30 years or so without an election, without any major public outcry, without any major impact studies and all of the things that Honourable Members of the Opposition in both Parties have alluded to. We have done it without any major impact. All of a sudden too, we have not become Americans. We are still Canadians; we still have a society. We have accomplished in the Free Trade Agreement that change, that last 25 or so percent, give or take a few percent because some still are remaining, but we have accomplished that in 18 months, not 30 or 40 years. But this is the 1980s, and this is something that we very, very badly need or we are going to be in big economic trouble in this country. We are going to wind up as a Third World operation if we are not very careful.

Mr. Angus: Mr. Chairman, questions just spring to mind. First of all, when North America goes to the common currency, which currency will it be? The American dollar or the Canadian dollar? The other questions that spring to mind, the Minister asked for identification of industries and/or companies and/or businesses that might be in trouble. We have got 8,000 textile people employed in the City of Winnipeg who are down at Ottawa arguing on behalf of the industry. I do not even know that we, as Manitobans, have a player at the table for the relief program that is being proposed for them.

We have seen industries like the beer industry get concessions. We have seen industries like the grape growers get concessions. Yet, we have seen nothing in Manitoba. We see that the poultry producers have very grave concerns, Mr. Chairman, about adding things to the protectionist list. As the protectionist list goes, those are the things this Government should be identifying.

But let me ask the specific question: How many jobs will this particular Free Trade Agreement create in Manitoba over the next few years? One, two, three years, four years, five years? See if you can just tell me that.

Mr. Ernst: The Economic Council of Canada has indicated 11,954 jobs.

Mr. Angus: Mr. Chairman, I thank the Minister for that. I assume that is over a 10-year period? Is that a 10-year period?

Mr. Ernst: Yes.

Mr. Angus: That is roughly an average of 1,000 jobs a year. Now is that, in relation, on top of the 1 percent growth in economic development in jobs that is anticipated or is this as part of it? I notice it is on top of the 1 percent growth that has been predicted.

Let me ask you this: Has the department, where we have all of these people doing all of this research, generated where these jobs are going to be created? If they have been able to generate where these jobs are going to be created, then why on earth cannot they tell us those industries that are going to lose jobs, that are going to be adversely affected?

Mr. Ernst: Mr. Chairman, in terms of the 11,000-plus jobs that are to be created under the Free Trade

Agreement, there are also several hundred thousand jobs that will be preserved as a result of the Free Trade Agreement. Many of those jobs could well have been lost due to increased protectionism and loss of export markets. That is the central point. The question is: Do we preserve our existing markets? Do we preserve our existing jobs by getting involved in a free trade agreement? The federal Government obviously has indicated, yes; we concur with that. We think that is the way to go; we think that is the kind of action that needs to be taken to make sure that our jobs in this province are preserved.

In terms of additional jobs when job adjustment or job loss as a result of the agreement—for instance, there are no textile workers in Manitoba. There are a number of people involved in the clothing industry in Manitoba, they have some concerns. Yet their people are still coming out in favour of free trade, saying it is a great opportunity, that they export into the U.S. market a very great majority of their production, so we have to continue to preserve that market for those people. There are from time to time certain adjustments that are required. Those are under consideration by the federal Government but, by and large, those people have indicated to us that they think that they have a very great opportunity under the Free Trade Agreement to sell their products to the USA. That is where they have been selling them, for the most part, for a good long time.

Mr. Angus: Mr. Chairman, the official position of the textile industry in Canada is still, as I understand it—and I can be corrected—that the free trade deal for their industry is not a good deal.

Notwithstanding that, my final question on this matter before I turn it over to my honourable friends is in relation to the net jobs and/or to the jobs that are lost. I want to know whether or not the 11,000-plus jobs over the next 10 years that is being proposed as being generated is a net figure or a gross figure?

Mr. Ernst: The Economic Council of Canada, whose figures they are, indicate it is a net job gain.

Mr. Bill Uruski (Interlake): Mr. Chairman, I want to make a few brief comments in this debate on free trade and its impact on agriculture, especially reflecting on the remarks that the Member for Lakeside (Mr. Enns) has made. I want to indicate to him that I, first of all, do not agree with his premises, as one Member in this House, in terms of marketing boards being of negative nature to Manitoba farmers.

Mr. Enns: . . . you just have to know the facts.

Mr. Uruski: I know the facts.

Mr. Enns: We had 1,000 in '66; we have 100 today.

Mr. Uruski: The Member says we had 1,000 egg producers in '66 and the Member knows the state of the chicken industry in the province. There were a multitude of very small producers and, when the market prices for eggs were down, they would be out of

production, and the industry was certainly in a state of flux. The fact of the matter is, historically, when the marketing national agreements and their marketing boards were negotiated, and his Government was part of those negotiations, Manitoba's share of the national production pie was in relationship to its previous five years of marketing. That is stated right in the legislation, so that Manitoba's share of production was protected.

What is occurring under the Free Trade Agreement is that the global quotas that, in fact, were to allow additional imports into the country are being raised in certain commodities, although there are areas in which the Government has the right to impose quotas.

I want to get back to the question of marketing boards as being negative in terms of production. The very debate that we have been having over the last number of years in our own country about production, internal subsidies and internal market strife, why has not Manitoba been able to, or Saskatchewan, or any other province, been able to expand, for example, beef production, to grow far beyond where we are at? The markets are there. There are no duties on beef into the United States. It is virtually a free border. Why are we not producing 1 million head of cattle in this province? In fact, the beef in this country in terms of production has declined over the last decade.

* (1600)

Marketing boards—in terms of supply management, the amount of commodities has grown with Canadian demand, and the fact of the matter is that industry, or the industry in supply management, has maintained a relatively stable income to the farmers who are involved, and the Member will not deny that. I believe he supports it, but he says, he makes the assertion that somehow production of food under supply management has been curtailed in our own province.

What has Alberta done, basically, in terms of harbouring a beef industry? They basically said, look, we are going to produce beef in this province and we will subsidize the heck out of it and we will not worry about Saskatchewan or Manitoba because we can out-subsidize any one of those, and there are no duties across the border. Right within our own country - (Interjection)-

Mr. Chairman, the Member wants to make a red herring. The fact of the matter is the national pie in the feather industry has remained relatively stable in terms of percentages of - (Interjection)- the entire industry. Mr. Chairman, the Member for Lakeside (Mr. Enns) painted a picture that somehow, because we have had marketing boards in this country, it has been negative to agriculture and food production.

Where I believe marketing boards have become inward-thinking, and I think it may be shared, is on their outlook for additional production worldwide. Some of them have, in the last number of years, gone ahead and used that, but I want the Minister of Industry, Trade and Tourism (Mr. Ernst), since he has a department and he made the statements here today that his role is strictly promotion of industry and be damned with some of those industries who may fall by the wayside in this whole deal.

POINT OF ORDER

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): A point of order, Mr. Chairman. I did not make the remarks alluded to me by the Member for Interlake (Mr. Uruski), and I do not think we can have that kind of rhetoric put on the record when it was not uttered by myself. I would ask the Member to withdraw those remarks and to apologize.

Mr. Bill Uruski: The Minister of Industry, Trade and Tourism (Mr. Ernst) got up in this House and said that we should not be looking at the problems in the industry. We should only be dealing with the industries who are straightforward. Those were his very words. If there are some failures, so be it. I have nothing to withdraw. If he is now saying he is going to be an advocate for industry, then—

Mr. Chairman: Order, please.

The Honourable Minister, to the point of order.

Mr. Ernst: When the point of order was first made, I asked that the Member withdraw those remarks.

Mr. Chairman: If the Member has advice to the Chair on the point of order specifically.

Mr. Uruski: Mr. Chairman, the remarks I made were based on my interpretation of the Minister's comments, that there will —(Interjection)—

Mr. Chairman: Order, please. What I will then do is prepare to—though a dispute of the facts is not necessarily a point of order, I am prepared to review Hansard on this and report to the committee as soon as Hansard is ready.

The Member for Interlake (Mr. Uruski) has a question?

Mr. Uruski: Mr. Chairman, I want to continue my remarks, based on the Minister's comments about industry and some of the losers. He admits that there will be losers, but he does not believe that, as far as his Government is concerned, we should not be worried about those until those problems come.

That is the way I interpret his remarks. If he is saying something different, let him rise at the conclusion of my remarks and say, here is what we are doing. If we are reviewing those industries which may be potentially damaged by this agreement, why does he not come out to say, here is what we have done in this sector. Here are the problems. We have potential problems in this sector. Here are the areas that we feel are positive; here is the negative side. Can we do something now?

What he is basically admitting to us is that, 10 years from now, those sectors and the vegetable industry being one of them, when everything is straightforward, then so be it. It is too late for those industries and so we have lost them. Then what is he going to do? Go cap in hand to the federal Government and say look, dear friends, we need an adjustment, oops, we did not foresee this because we did not check into this industry,

and we are losing an industry here and so we need some help.

Can you imagine what the federal Government will tell them 10 years down the road? Hey boys, you have not done your homework. Where were you when we were signing this deal? Did you not do your homework on these industries? The vegetable industry is one of those.

I stood on a platform in Beausejour with the now Minister of Labour (Mr. Connery) and he told the farmers in Beausejour just during the election that he supported the trade deal because we would be eligible to receive, to bring into Canada, chemicals from the United States. That was his sole, big comment on behalf of the Conservative Party, that agricultural chemicals would be imported duty free. If those chemicals are approved in Canada, they are brought over today duty free.

The now Minister of Labour did not know what he was talking about and, if he is so sure that the deal is good, why not move with the trade deal now? Why wait for a 10-year period? Why wait for a 10-year adjustment period on the vegetable industry? —(Interjection)— A one-year? No, in the vegetable industry, there is a 10-year period of seasonal tariffs. Yes, those will be maintained. Maybe the Minister of Agriculture (Mr. Findlay) knows something that I do not know, but the deal is a 10-year transition period.

An Honourable Member: I do not think so.

Mr. Uruski: There is a 10-year transition. Now if they are so sure that there are no negative impacts on the vegetable industry, why is the Minister of Industry, Trade and Tourism (Mr. Ernst) not saying to his federal colleagues, why do we need the 10 years? We are so positive that this trade deal is good for the vegetable industry. Why do we need the 10-year transition period?

The Minister gave away his whole debate in support of the Free Trade Agreement by admitting and finally saying, look, 80 percent of the products, between 75 percent and 80 percent of the products that now trade between Canada and the U.S., the duties and the tariffs and the barriers were removed over a 30-year period and now, all of a sudden, we have to give away our entire economic sovereignty? To gain what? To gain access to markets for an additional 20 percent of the goods that we might want to trade? That is really in essence what the Minister of Industry and Trade (Mr. Ernst) is saying.

He is saying, for Canada, we need a partner to be very close to, to be very neighbourly to. Get into bed with the U.S. because, if we are not in bed with the U.S., we are going to be losers. We, as Canadians, cannot forge an economic policy for this country to trade with the rest of the world. I think that kind of thinking is insane. I think that kind of Conservative thinking is almost heretical in terms of what the Minister is saying, that we as Canada cannot do anything alone.

That has been the history of some of those in the Conservative Party, that we need someone else to do our thinking for us. As they do our thinking for us in Canada, they have their hand in our pocket and they

rape us of our resources, and all -(Interjection)- pardon me? There is no doubt that the Minister of Industry, Trade and Tourism (Mr. Ernst) has a gag on his own department. Why does he not remove the gag off his department and allow his members in the research staff to come out with the studies that they have done and the work that they have done and publish it, and tell people now that there is and there are going to be some losers? Here are the areas and here are the concerns that we have got right now before the deal is signed.

No, he is going to come out with the information piecemeal, and then say, oops, we forgot to tell you about this one a year down the road, or we forgot to tell about this one six months down the road, or two years down the road. That is the way he is operating, because he told us earlier. So there will be some losers, so what? I want to be an advocate for industry that is going to make it. His role in this department is to be an advocate of all industry of this province, from the smallest to the largest. If the smallest is hurting, it is his job as Minister to make sure to do all he can to represent those industries nationally and provincially in terms of Manitoba's interests, not what he has said. So let him ungag his department and get on with putting the facts on the table.

* (1610)

Mr. Ernst: First of all, let me say that the Member for Interlake (Mr. Uruski) put a lot of misstatements on the record relating to me and to what I have said earlier today. To put that record straight, let me say this, that with regard to my original statements, I said our job, our primary job is to protect the jobs that we have in Manitoba here presently, and to ensure that those jobs are long-term jobs into the future, and that we will not see them go by-the-by because of sticking their head in the sand with regard to the Free Trade Agreement, to say that we will just throw up areas, protect our existing industries and everything will live happily ever after.

That is not what is going to happen, and what I said was our job is to protect those existing jobs in terms of long-term benefits to our industry. There will be some adjustment, no doubt. It is only human nature that is going to happen, and I have also indicated earlier that I did not say be damned with those people, as the Member for Interlake tried to intimate during his address. I said we are looking at those industries, we are monitoring them very closely. As a matter of fact, I will, as soon as Estimates process is finished, be starting a meeting with the sectors of our economy relating to the Free Trade Agreement to determine first hand from those industry sectors as to what they feel their specific impacts will be. In general terms, we have heard them. The specifics we have not heard and the specifics we will hear when we meet during the period following Estimates to find out exactly what the nitty-gritty individual items are going to be with respect to each of those sectors. That is what we are going to do.

I have to chuckle, Mr. Chairman, to say that, by virtue of the Free Trade Agreement, we have lost our economic

sovereignty. If you would listen to the NDP, we all have lost our economic sovereignty, our cultural sovereignty, our passports, and just about everything else that is related to being a Canadian. That is not the case. We went through 75 percent tariff reductions and did not lose one bit of Canadian. We did not become Americans one little bit. With respect to the Free Trade Agreement, we are not going to all of a sudden become Americans.

I watched on television last night the news and saw the labour union movement throwing out all kinds of things that had nothing to do with the Free Trade Agreement, but these were their rationale for protesting against it. They are being fed a lot of information, misinformation, rumours and outright false information, in my view, relating to the Free Trade Agreement in hopes of whipping up some kind of furor or some kind of a frenzy to protect their particular situations. They are not getting the facts. That has been aptly demonstrated. I do not think, quite frankly, that the Member for Interlake (Mr. Uruski) ought to be putting the kind of statements onto the record relating to me that he did earlier.

Mr. Leonard Evans: Just to get back to McCain very briefly, the Minister referred to the fact that McCain would be able to sell a lot of its products to Japan. I understand, under the agreement, each party to the agreement must take into account subsidies to third countries, such as Japan, that might affect the other party—trade in potatoes or process potatoes. I am just wondering what that is going to do to McCain's export in the future to Japan. This company and the senior people are quite categorical that they are going to, in the long—there will be jobs lost in their particular company and indeed in the food-processing industry as a whole.

You see, where we are going to lose out is where our industries have lower productivity levels than the American industries. The federal Government itself has published this document called the Canada-U.S. Free Trade Agreement and Industry. In this particular document, they make all kinds of useful economic observations. I will only refer to one that I think should cause us some concern, and this is the ratio of Canada to U.S. labour productivity. It shows that in many industries, most of the industry categories, productivity in Canada is lower than in the United States. That occurs for a number of reasons, not because people are working hard, but it occurs largely because of the kind of equipment that is used; it occurs because of the climate; it occurs for many reasons. But the fact is that, according to this document put out by the federal Government, shown as table 3.8 on page 22, they refer to the food and beverages industry as having a Canadian-U.S. labour productivity ratio of 0.71. In other words, Canadian labour productivity is only 71 percent of American.

I think this gives you some insight into the problem that companies such as McCain will be faced with. If they cannot produce products as cheaply as the American imports, they are simply not going to be able to buy the potatoes or buy the dairy products or buy whatever imports that they require, no matter how much they might like to do so. The Minister says well McCain

is really against marketing boards and they are using this as an opportunity to hit marketing boards. That is the same thing that Mr. Crosbie said yesterday or the day before on this Cross Country Checkup. He was rebutted by the official from McCain, who said this is not the case. The fact is, if they cannot buy the product, they are prepared to work with the marketing board system but, if they cannot buy the products because there is not the demand for their goods, for their output from that food-processing industry, then ultimately the farmers are going to lose and of course the workers are going to lose.

But this is the case in many industries, not only food and beverage industries. You get the plastics and rubber industry, we are only 89 percent efficient of the United States level; textiles and clothing, 94 percent; wood products, 97 percent; furniture, 76 percent.

Where we are even—Steven is in pulp and paper and, by and large, it is the resource industries that we do stand to gain some jobs in the resource industry sector. But the point here is that is a minor portion of total employment in Canada. That is, compared to those industry sectors that are going to be adversely affected, resource industries comprise a small fraction and so on: primary metals, 88 percent; machinery, 61 percent; petroleum refinery only 28 percent; chemical products, 78 percent, and so on. Manufacturing is a total 85 percent. Now these are Canadian ratios. Admittedly, there may be some different numbers for Manitoba but the fact is that, generally speaking, it will be the smaller companies that will be more adversely affected than the larger companies.

I referred a couple of weeks ago in debate to a study done by the Bank of Nova Scotia on the whole free trade issue. You cannot allege that the Bank of Nova Scotia and its research department is working for the New Democratic Party or the Liberal Party or for anyone. They are working for themselves. They pointed out that there will be a small net negative impact on the manufacturing sector in the Canadian economy. This is according to the Bank of Nova Scotia. It states that, in manufacturing, the losers will be hit up front while the winners will tend to collect further down the line.

This is very important because Manitoba is characterized by small-size companies. "The Free Trade Agreement," and I am quoting from the study, "reflects a hard hit on small manufacturers, while larger manufacturers generally face a neutral or only a slightly positive outlook in the immediate future." So it will be the small Canadian and Manitoba manufacturers that will be hit and this is very sad because, as we all know or should know, this is where most of the new jobs have been created over the last several years. It has been among the small enterprises.

So if anybody is the winner, it will be the larger multinational companies. But the fact is that manufacturing as a whole will be a net loser and there are other industries. We talked about food processing. There are some others that are specifically located in Manitoba that we should be concerned about. The printing and publishing, I would hope the Minister will talk to representatives of that industry to find out what

they think will happen because I understand they could be adversely affected.

What about the furniture industry? We have a few major furniture manufacturers. They do not like the way the deal has been struck. There are certain elements of it that treat them unfairly because there is a difference in the material components compared to the entire component and to the entire finished product, and the tariffs on the materials will come off more slowly than the finished product, and they feel that there will be some problems here. But do not talk to me, do not listen to me. Talk to people in that specific industry and let them tell you how they are going to be hurt by that particular agreement that we have.

* (1620)

The Minister goes on and on and talked in glowing terms about the benefits of free trade. As has been said many times in the House, in this Assembly, everyone can agree in principle with the theory of free trade. It depends on how it unfolds. It depends on other elements of the deal. In this case, we are not simply talking about free trade. We are talking about other matters. We are talking about investment, control of Canadian industry. We are certainly talking about the availability and security of the Canadian energy supply in the future.

We should be very concerned about the service sector, because that was not originally considered. When the McDonald Commission suggested free trade or a move to that, I do not think they included the service sector. Yet, that sector is included and there are some elements of it that will be very badly hurt. In Manitoba here, we have a company called Comcheq and they have, through the Canadian Independent Computers Service Association of which this company is a member, stated clearly and categorically that they are going to be hurt, that there are going to be jobs lost in the computer service industry by this deal. I would like the Minister to talk to these people as well—they are right here in Winnipeg—and ask them what they think, and how many jobs they are going to lose. That is the service sector. I would say the bottom line—incidentally, the Bank of Nova rates the service sector to be even a bigger loser than manufacturing. The risk of losing jobs through this arrangement, through the Mulroney-Reagan trade agreement, is much higher for the service sector than it is for the manufacturing sector.

The interesting observation one can make as to what is going to happen, what is going to be the bottom line of this particular agreement and the move that is being planned by the free trade deal that has been approved recently by Parliament, I would say it is this, that basically we will tend to lose jobs. The bottom line is going to be a net loss of jobs, not a net gain of jobs. There will be a net gain of jobs in the resource industries, but there will be a loss of jobs in manufacturing in Canada; there will be a loss of jobs in agriculture; there will be a loss of jobs in the service sector. That is the assessment of the Bank of Nova Scotia. That is their conclusion. Those are the three areas of loss. The winners will essentially be in the resource industries but, as I said before, they only make up a small percentage of total employment in Canada.

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The Minister can quote all he likes the Economic Council of Canada, but what they studied originally and what they proposed originally is not what was ended up with by Mr. Reisman and company. Furthermore, any estimate of job creation has to depend on what assessment or what assumptions you make with regard to the value of the Canadian dollar vis-a-vis the American dollar. As we know, the Canadian dollar has appreciated in value considerably in the last few months and that has a great bearing on any estimate that one would make.

But I say, look at the Canadian Prairies and look at the American Prairies and see where the manufacturing is, see where the cities are and see where the urban populations are. There are very few major centres in the northern Prairies adjacent to the Canadian border. There is nothing comparable to what we have in Alberta, Saskatchewan and Manitoba. The reason we have these cities and the reason we have this pattern is because of our national tariff, our national railway system, the policies that have been pursued by the national Governments over the years. I suggest that what you will see in the long run is a loss, a serious loss and erosion that will take place, maybe not in one month or one year. But over a period of years, there will be a gradual diminution of the people particularly, in my judgment, in manufacturing and certainly many areas of the service sector.

Also Winnipeg, which is an essential east-west transport centre for railways, for trucking in particular, I think will diminish in this. As you have more north-south trade, you will have less need for products to come through Winnipeg. They will go north-south and Winnipeg will deteriorate in my judgment as a major transport city, because it is a major transport city because of its critical role in the east-west trade pattern. So anything that takes away from east-west trade, in my judgment, will take away from Winnipeg's importance as a major transportation centre. Let us face it. There are thousands of jobs in Winnipeg related to transportation, trucking and certainly in the railway industry.

So, Mr. Chairman, I have put on record some of my concerns about this agreement. There are a lot of other specific things we could raise. Perhaps some of my colleagues on this side might like to raise them at this time. I believe the Member for the Interlake (Mr. Uruski) has a question he wanted to ask.

Mr. Ernst: I do not want to prolong this matter unduly, but let me say this: I am very saddened by the Member for Brandon East (Mr. Evans) when he suggests by reading out of this table on page 22 of the Free Trade Agreement relating to industry that Canadian workers, Manitoba workers, are somewhat less of people, less productive than U.S. workers. That is not the case. Our people in Manitoba are every bit as good and they will be every bit as good and continue to be every bit as good in the future as far as productivity and so on is concerned. I would not want to be part of seeing calling down that our workers are not as productive as American workers.

With regard to this study, we have to understand how it relates to the overall process. First of all, you have

a situation where you have volumes of production, vastly different scales of production. That has some effect in terms of these numbers. It does not mean that our workers are any less productive at all, nor will they continue to be in the future.

I also want to comment with regard to the furniture industry. The Member for Brandon East (Mr. Evans) had stood up and said the furniture industry feels that they are going to be substantially hurt by the Free Trade Agreement, that we should talk to them. Well, Mr. Chairman, I have talked to them. Palliser Furniture, the largest furniture manufacturer in Manitoba, has just invested another \$6.1 million in new production facilities so they can export to the United States. Does that indicate that they are concerned about free trade? No, they are confident. I have met with the principals and they are confident that they will be able to compete in the market. Interestingly enough also, we just - (Interjection)- If someone is prepared to put up \$6 million to enhance their production facilities for exports into the United States, that says to me that they have some confidence in what they are doing. They also have a great deal of competence in what they are doing, and that is something that they would not know anything about.

Mr. Chairman, I also want to talk about Kitchen Craft Cabinets, who have also just invested a significant amount of money, some \$4 million in order to enhance their production facilities so they can export into the United States market. Now there are two companies who have the confidence just in the last month or so to invest funds in order to produce into the U.S. market. I see that as a very significant milestone in our economy here, to say that they have the confidence to continue to export into the U.S. They have the confidence to reinvest in Manitoba, and they also have the confidence in their workers who they feel are every bit as productive as those in the U.S.

* (1630)

Mr. Leonard Evans: I cannot let this stand on the record, the comments of the Minister with regard to what I said about labour productivity. It shows he does not understand what the measurement of labour productivity is. He does not understand it and I tried to explain it to him.

You can work your hands to the bone day and night and still be less productive in one country compared to another country where they may only work eight hours a day. Labour productivity is not a reflection of how hard an individual works or how dedicated an individual works. It is a function of many factors and I mentioned some of them. It is a function of capital equipment. You can have somebody work on a Canadian farm with a piece of harvesting equipment and be a thousand times as efficient as some peasant in Asia who may be working 20 hours a day. The Canadian worker will produce far more in just a fraction of that time, so it is a function of the capital that is used.

It is a function also of the size of the market. We have a very small market and a diversified market. I

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know those who argue for free trade say, well, you will have a longer production run, but the fact is right now all of these companies have low productivity levels because they have small markets. They stand to be threatened right now by the big boys who are operating in the United States who can come in and compete with them, in my view, in an unfair way because they are so much larger. So labour productivity does not reflect in any way on our hard-working intelligent labour force.

We have good workers in Manitoba. We have a well-trained work force in Manitoba. We have a dedicated work force in Manitoba and there is no question about it, but they can work as hard as they like. If you have a company and you do not have good management, if you do not have good equipment, if you do not have a market size that allows for long production runs, you will not have the same labour productivity. It is not a reflection on the attitude or the desire of the worker. It is a reflection of these other factors, and the Minister should know that. If he does not, he should study them.

Mr. Jerry Storie (Flin Flon): Mr. Chairperson, the Minister has indicated publicly on a number of occasions that he has opinions or he is in possession of opinions that would lead one to support the conclusions that neither Manitoba's nor Canada's energy supplies are in danger by virtue of the Free Trade Agreement.

I am wondering if the Minister has or is prepared to table any of those agreements which he says prove conclusively that we are on the wrong track and that the Ministers' and the Members' of the front benches rather knee-jerk response to this in support of free trade has any validity. Is he prepared to table anything so that the public of Manitoba will know that the Government has looked at the question seriously, that they have not just adopted the federal rhetoric, the pro-free trade stance out of allegiance to their federal colleagues? Does he have anything substantive to show us which would indicate that this is in fact going to be an economic or any other kind of benefit to this country?

I would ask the Minister not to stand up and wave any of the \$26 million worth of propaganda that the federal Government has put out on this agreement because it is propaganda, pure and simple. The Minister was waving a little while ago the industry brochure with respect to free trade, the impact that free trade is going to have on industry. I have seen that brochure and I have seen the one on energy and I have seen the one on minerals. I can tell you that, if you look at the material, what you are getting is some sort of retrospective of what Canada has done in terms of trade over the past year or the past 20 years. It is not any kind of analysis of what is going to happen as a result of this agreement. It is a retrospective, it is an historical view of trade figures, whether it is related to energy or furniture manufacturing shipments or anything else. It is an historical perspective. It does not answer the question: What is the future going to look like? The Minister has to understand that is what we are concerned about.

In the past, I think most people will feel we have been relatively successful in exporting to the United States. The fact that our manufacturing shipments, our

exports to the United States have increased year by year by year, our exports to other countries have increased year by year tells us that we are a trading nation. What is in this agreement, what information does the Minister have of a concrete nature that he is prepared to table and show us that would lead him to believe that this is going to be good, either for our industrial sector, our agricultural sector, our mining sector or, more importantly to me as energy critic, our energy sector?

Mr. Ernst: I have had some discussions outside the House with the Member for Flin Flon (Mr. Storie), indicating that there were a number of opinions that I had received over time related to the Free Trade Agreement. I would be happy to table those in due course. I do not have them with me today.

Mr. Storie: I appreciate that the Minister has undertaken to table those opinions of that information, and it would obviously be useful to myself and to other Manitobans as they try to assess what the real impact of this agreement is going to be.

I would like to indicate that the only information that I have heard quoted from the Member, from Members on that side, from most of the federal Government, are numbers that relate to the Economic Council of Canada which, my colleague has rightly pointed out, was based on some assumptions that no longer hold true. I have seen information from the Canada West Foundation, for example, which profiled their own contribution to this debate by holding a press conference, by mailing out an impressive looking document that said that free trade was going to be good, and consumers were going to save \$1,000 each per year based on the Free Trade Agreement. I said, well what kind of analysis was done to allow them to draw these conclusions? Where did they get their substantive data from? And then I looked at the methodology of the study, and this study was done by talking to the chief executive officers of 100 companies in Canada and 100 industry organizations representing different industrial sectors. I said, well if you ask the people who have most to gain from free trade, is this a good thing, on a subjective basis, what are they going to say? The answer is, they are going to say this is great, and that is what they said.

But there is no specific data which would lead you to conclude that, on an individual basis, someone is going to save X amount of dollars because of this and this and this. It is not in any way a quantitative survey, a quantitative opinion. It is based on the subjective feeling of chief executive officers. I would challenge the Minister to put on the table something a little more concrete than the opinion of people who have obviously something to gain from this agreement by way of convincing me or Manitobans or Members on this side that this is in fact good.

The Member may have had a chance to listen to comments that were made by Mr. Orchard, I believe, with respect to this whole trade agreement, and Mr. Orchard is from Saskatchewan. He is of the same opinion that, in fact, what has been used to sell this agreement is not only taxpayers' money to the tune of \$26 million but, by attaching it to the rhetoric "free,"

it has gone really without any kind of detailed analysis. We are proceeding because of a political commitment and not any economic need. The fears that are used to promote it, the fear of protectionism, the fear of retaliation on the part of the United States, are bogus fears, fears that are no more real today than they were five years or 10 years ago. We have always been threatened by U.S. protectionism, as we have been threatened by protectionism from other countries in the world from time to time, and our response should not be an unmitigated sell-out of our birthright as Canadians or Manitobans. I believe there are many Manitobans who feel that way.

I would ask whether the Minister has any more substantive information than the general opinions that he says he has?

Mr. Ernst: I have indicated to the Member for Flin Flon (Mr. Storie) that I will table those opinions and information that he has requested in due course.

I do not know how productive it is going to be to get into an argument over whether data that is going to be tabled in the future at some point is good or not good. Let him review the data and then decide whether it is good or not good.

* (1640)

Mr. Storie: The Minister's Estimates are not going to last indefinitely. He may feel that way today, but they probably are not going to last indefinitely.

I would certainly urge the Minister or ask the Minister to ensure that the information that he has and is prepared to table is before Members on this side at least before this review of his Estimates is through, because this issue, as you no doubt understand at this point, is the most important for Members on this side of the Chamber. This issue is not a simple rubber stamping. We hate to see our entire Manitoba Cabinet with "approved" stamped on their forehead, and something comes across their desk marked free trade and they go, plunk, it is not acceptable. We want something that is a little more substantive than something that comes across "approved" by the Cabinet of Manitoba and they have the imprint on their forehead to prove they have approved it.- (Interjection)- a stronger message to follow. I am going to get to the stronger message in a minute, but I would like to thank you.

I know that the Minister has had a chance to meet with the Canadian Manufacturers' Association. I assume that the Minister has had an opportunity, given his tenure in the portfolio. I would ask the Minister whether the Canadian Manufacturers' Association indicated to the Minister that they would be expecting amendments, changes to Government policy, federal or provincial, taxation policy, employment standards policy, anything along those lines to allow their Members to compete in this new free trade environment.

Mr. Ernst: No, Mr. Chairman.

Mr. Storie: Can the Minister indicate whether he asked whether they would expect such amendments or changes to policy?

Mr. Ernst: I met, as a matter of fact, yesterday with the representatives of the Canadian Manufacturers' Association relating to internal trade barriers. That was the first opportunity that I have had to meet with them. We discussed only the question of internal trade barriers and it went on at some length with regard to those issues, which seem to be more paramount to them than anything else.

Mr. Storie: Mr Chairman, I want to tell you that frightens me. We have a Minister responsible for Industry and Trade in this province who simply will not come to grips with the fact that this agreement is going to jeopardize the livelihood of this generation of Manitobans and the next generation of Manitobans.- (Interjection)- The Member for Lakeside (Mr. Enns) is in front of me saying that I am using the wrong word, the word is "enhance."

I want to tell you, that is not what the Canadian Manufacturers' Association believes. That is not what they believe. They believe that our standard of living is going to deteriorate and they are going to see to it, because for them to compete they are going to need a level playing field. That is not a word I have heard the Minister of Industry, Trade and Tourism (Mr. Ernst) use in this debate. That is a word that is used by everyone who looks at the implications of this agreement. We are talking about a level playing field.

I will tell the Minister what the Canadian Manufacturers' Association says. They say: "The president of the Canadian Manufacturers' Association concedes it is simply a fact that, as we ask our industries to compete toe to toe with the American industries, we are obviously forced to create the same conditions in Canada that exist in the United States, whether it is an unemployment insurance scheme, Workers Compensation, the cost of Government, the level of taxation or whatever." The Minister has sat here and said that is not of a concern to him. I want to tell that, if my children are working for \$1.40 an hour because that is the minimum wage in Manitoba, I am concerned about that. I think he should be concerned about it. And if my children have to go to work 20 years from now and there is no Unemployment Insurance, no Workers Compensation, I am concerned about it.

That is what a level playing field is. That is what the Canadian Manufacturers' Association foresees if we get into this agreement. That is what their members are planning for, and this Minister says well, gosh, I never thought to ask that question.

This is a serious matter and, if we are not going to get out of this agreement, if we are going to be stuck with this agreement because of the political circumstances on the federal level, then I think we should be doing some planning. This Minister is sitting here because of the rhetoric from his colleagues and has not taken the time to inquire either about its implications or about the adjustments that are being made all around him, including by members of the business community, because I want you to know that they understand the implications of this agreement a lot more succinctly and clearly than the Minister does.

I want to ask the Minister: Is he prepared now to go to the Canadian Manufacturers' Association, the

representatives here in Manitoba who represent the western region, and is he going to ask them what adjustments they expect Manitobans and Manitoba Governments to have to accommodate to allow them to compete?

Mr. Ernst: About an hour ago, I mentioned to the Members of the committee and, if the Member for Flin Flon (Mr. Storie) had listened at that time, he would have known that in terms of what impacts and so on and specifics relating to each sector, in fact I have indicated I will be meeting with every individual sector in the economy over the next while to deal with them on the specifics of individual issues.

I would also point out that the Canadian Manufacturers' Association asked to meet with me yesterday—I did not ask to meet with them, they asked to meet with me—and their big concern was internal trade barriers. Their biggest concern was not the Free Trade Agreement. Their concern was internal trade barriers within Canada. That was their issue. That is what they wanted to talk about.

Mr. Storie: The Minister continues to astound me. If I was a member of the Canadian Manufacturers' Association, I would be interested in my own welfare. The Minister of Industry, Trade and Tourism (Mr. Ernst) is supposed to be interested in the welfare of Manitobans as well. The Canadian Manufacturers' Association is a very capable organization. They are capable of defending the interests of their members, and that is what they are doing.

Unfortunately, they are giving you a message, the Minister responsible for Trade, a message that is clear, concise and to the point, and they are telling him and they are telling Manitoba that our Governments are going to have to adjust their ways of behaving if the companies in Manitoba and across Canada are going to compete. How are we going to adjust our policies? By changing taxation measures, by eliminating business taxes in one form or another to allow them to compete so that they can maintain their business enterprises in the province. We are going to have to adjust policy with respect to employment standards. We are going to have to get rid of overtime provisions perhaps - (Interjection)- Not only that. Mr. Chairperson, I am talking about the stages we are going to go through as we implement this agreement.

The first stages are going to be—and the Minister perhaps acknowledged this in his opening remarks—unemployment. The earliest reaction by our economy to the free trade is going to be a loss of employment. Perhaps there is some gain over the median term for this agreement, but we are going to have to adjust by losing jobs.

The second stage is going to be the elimination of Government programs, programs that have been put into place to support Manitobans, the elimination of taxes, the elimination of employment standards, the elimination of all kinds of other things, and the third stage—and I again refer to an article that appeared in the Grand Forks Herald on Tuesday, June 28, this year. It talks about the further adjustment, and it says:

“Canadians point to the National Film Board, the universal medical care program, generous social programs, agricultural marketing boards as evidence of their distinct identity.”

The Free Trade Accord would gradually undermine these programs and the irony is, just when some Americans are starting to look at programs in place in Canada as models, including one of the new presidential candidates incidentally when it comes to health care, so we are talking about a 20-year degradation of a system of social and economic justice we have built in Canada by virtue of this agreement.

The Minister says the Canadian Manufacturers' Association wanted to talk about other things. They wanted to talk about the internal barriers to trade. I can understand that. If I did not want to jeopardize or raise any fears with the Minister, I certainly would not raise fears about what is going to happen to Manitoba if I thought I was going to benefit in the long run, and that is the way the Manufacturers' Association looks at it.

But the Minister's responsibility is a lot broader than that, and my question was simply to the Minister: Is he now going to raise with the Manufacturers' Association, is he going to ask them specifically what changes they think might be required, what changes they would be looking for in the event that this agreement causes them to be at a disadvantage because of Government programs, because of the policies that are in place that protect workers and protect our environment, protect our social services?

Mr. Ernst: That is the exact kind of short-sighted, narrow-minded, head-in-the-sand view that will ultimately drive this country into the ground if left to go unchecked. That kind of attitude, Mr. Chairman, stick your head in the sand and pull in the hole after you to make sure nobody can touch you but, in the meantime, ignoring the facts all around the world, ignoring the facts that are facing this country and this province. With that kind of attitude, we are going to go nowhere and we are going to go down and down and down, as we have done over the past six years under their administration.

Interestingly enough, the Member for Flin Flon (Mr. Storie) stands up and says that we will do away with Workers Compensation and minimum wage and health care and everything else and has flown all of the boogymen that have been going on ever since the Free Trade Agreement was proposed. That is not going to occur. We know that is not going to occur. As a matter of fact, the only thing that is going to save this country and the social safety net and the health care system that we have is to have a strong economy that can afford to pay the taxes to pay for those kinds of things.

* (1650)

Those Members, the NDP, all they wanted to do was continue to tax and tax and tax and tax people to pay for more and more and more of those services, and they did. They carried out all kinds of additional taxes

in this province. We do not think that that is the way to go. We think a strong economy with lots of jobs and lots of income is the only way to protect our health care system. We cannot expect the average workingman to continue to pay and pay and pay, because he cannot afford it any more, and that they told them at the last election, they cannot afford it any more. They told them they do not want any more taxes. They do not want the kind of Government that they proposed as far as their continued taxation policies are concerned. So we have to look at another way.

To suggest that Workers Compensation and the minimum wage and a variety of other benefits that we enjoy in this country, Unemployment Insurance and so on, are about to disappear, I think, is irresponsible. What historically has happened in terms of - (Interjection)- Yes, a level playing field, that is correct, and that level playing field will come, because what will happen is that the workers in the United States will start to demand the kind of services that we enjoy here in this country. It is not all one-sided; everything does not go down. As a matter of fact, things level off and what happens is you have demands and interests and so on in the United States, but they are interested in some of the kinds of programs that we have here. When they are trying to create an equal playing field, then they are going to see some of those demands come up on the one side and some may adjust on the other. But to suggest historically, to use all historical data, the suggestion that it is all going to go down the drain is ludicrous, Mr. Chairman. That is not going to happen.

I do not want to prolong the situation of the debate on this thing any longer than necessary, but I think I had to put on the record the fact that the Member for Flin Flon (Mr. Storie) is putting on the record all of the fearmongering, all of the boogeymen that they had flown all along through the whole question of the free trade argument. Quite frankly, I think it is wearing a little thin. The newspaper editorials are telling them it is wearing thin and, if the kind of documentation that he is providing, if the kind of empirical studies that he is quoting from consist of the newspaper articles or magazine articles that he finds here and there, then his information is not very responsible.

Mr. Storie: First of all, the Minister was not listening, because the boogeymen that he put on the record were done so not by myself but were done by the president of Canadian Manufacturers' Association, who said, and I will quote for the second time: "It is simply a fact that, as we ask our industries to compete toe-to-toe with American industries, we are obviously forced to create the same conditions in Canada that exist in the United States, whether it is an unemployment insurance scheme, Workers Compensation, the cost of Government, the level of taxation, or whatever."

That is the word of the Canadian Manufacturers' Association who understand their obligation by virtue of this agreement. They are going to have to compete head-to-head with the Americans. They are telling you in one clear and certain voice that these adjustments are going to have to come not only from within their own corporations and their own business entities, but by virtue of the social and economic fiscal policies of

Governments across the country. They are going to have to adjust. So it is not me that is putting this on the record, it is not just me.

No. 2, I have shown, as Energy and Mines critic and critic for Manitoba Hydro, that the people who are going to interpret this agreement are not politicians. They are not politicians, they are not members of the Canadian Senate, they are not businesspeople. The people who are going to interpret this agreement, when there are disputes and there are inevitably going to be disputes, are lawyers and judges.

I put on the record, not only in terms of the energy provisions of this agreement but the total package, the total agreement is deficient. It hurts Canada, it is harmful. That opinion does not come from me again. I share it with those people. I share it with Judge Bowker, I share it with Mr. Ian Blues. I share it with the person who wrote the opinion for Manitoba Hydro, but they are not my opinions. They are opinions of the people who are going to interpret and tell us how this agreement is to be implemented. They tell us in no uncertain terms that this agreement is damaging in the short term, in the long term for Canada as a country. They tell us that in unequivocal terms, and I have asked repeatedly for the Minister, the First Minister (Mr. Filmon), anyone who has any integrity on the front bench, to show me an opinion to the contrary, to show me that we are not losing our sovereignty, and they have not done it.

I called the First Minister's bluff in a press conference last week. I said he is bluffing. The First Minister is bluffing, he has no opinion to support his opinion. The Minister of Industry, Trade and Tourism (Mr. Ernst) is bluffing. He has no evidence to support his position, and yet he is saying well the argument is getting thin. If the argument is wearing thin, if the Minister is tired of hearing that I am concerned about my province, I am concerned about the future of this province for the young people who are in school today, then I am going to continue to wear that thin until I find some evidence that the Minister of Industry, Trade and Tourism is prepared to listen and, more importantly, prepared to act because he does not seem prepared to get any information. He does not want to have his own view of the world impaired in any way so he does not want any information.

Mr. Chairperson, the Minister of Industry, Trade and Tourism (Mr. Ernst) falls back on the rhetoric that is used by the Prime Minister of this country and all of his lackeys, saying that, well, we want a strong economy if we are going to really maintain the social programs that we have in this country. I want to indicate that this country has one of the strongest economies in the western world, one of the strongest, has had for the last three or four years, and this is all done without free trade.

And I want to point out to the Minister of Industry, Trade and Tourism (Mr. Ernst) that I met with the Canadian Manufacturers' Association in Manitoba when I was Minister of Energy and Mines, and they indicated to me exactly the same sentiments that I read from the newspapers, so I am not getting this second hand. They know there are going to have to be adjustments

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in taxation policy and social policy; they know it for a fact. They have been forthright enough with their public and with politicians to say, yes, there are going to have to be adjustments, and this Minister sits here and says, no, no, nothing will happen, it is going to be business as normal, things are going to get better. Things are going to get better, I read from the newspapers, so I am not getting this second hand. They know there are going to have to be adjustments in taxation policy and social policy; they know it for a fact. They have been forthright enough with their public and with politicians to say, yes, there are going to have to be adjustments, and this Minister sits here and says, no, no, nothing will happen, it is going to be business as normal, things are going to get better. Things are going to get better, I read from the newspapers, so I am not getting this second hand. They know there are going to have to be adjustments in taxation policy and social policy; they know it for a fact. They have been forthright enough with their public and with politicians to say, yes, there are going to have to be adjustments, and this Minister sits here and says, no, no, nothing will happen, it is going to be business as normal, things are going to get better. Things are going to get better, that is all he said.

It is unfortunate because the facts do not support his contention on the economy in this province or the economy in this country. They do not support his contention that there are going to be no implications for our social or support programs. Whether it is the Canadian Wheat Board or the Vegetable Marketing Board, they do not support his contention.

The Minister continues to refuse to get any information, to have his staff do the analysis, to get outside independent analysis of this agreement to confirm that opinion. I understand his reluctance. His reluctance comes from the fact that the evidence is not going to support his position.

For him to say that all the Members on this side, or me in particular, are doing is fearmongering when I have tabled legal opinions, which I did not solicit, which came to me independently from people as diverse as lawyers in Toronto and judges in Alberta, apart from all of the other analyses that has been done from the Bank of Nova Scotia to the firm of McLeod, Young and Weir, all which conclude that this deal is bad for Canada, how can I be accused of not being forthright, not attempting to deal with the facts?

What we have not seen from this Government or this Minister are any facts. What we have seen is rhetoric and, of course, a lot of waving of the bright blue-and-white propaganda booklets that come from the federal Minister responsible for Trade.

So, Mr. Chairperson, I am not satisfied that the Minister has any intention of informing himself and, more importantly, of informing Manitobans on this issue. It is an unfortunate fact that we, on this side, are relatively powerless to make the Minister change his mind. You would hope that common sense and evidence would make him change his mind, but it does not appear to have.

So what we are going to have to do, in the words of the Minister, is sit and wait as pieces begin to fall

off the programs and the support services that are available to build the quality of life in Manitoba, and that is an unfortunate kind of arrangement where you fail to act and lose by default.

Mr. Angus: Mr. Chairman, I would like to move the balance of the Industry and Trade, Technology Branch. I find that, as the Member for Flin Flon (Mr. Storie) has said and as the Minister has suggested, we are getting into an awful lot of political rhetoric and platforming. I think that this issue will be solved by the people of Canada and I would like to move the Industry/Technology portion of this particular budget.

Mr. Chairman: Is it agreed to pass item 2.(b)(1)? The Member for Interlake.

* (1700)

Mr. Bill Uruski (Interlake): Mr. Chairman, I have a few specific questions of the Minister dealing with agriculture, because he, as well, gave me a lot of rhetoric, and I want him to—

Mr. Chairman: Order, please. If the item is not agreed, and the time being 5 p.m., it is now time for Private Members' Hour.

Committee rise.

Call in the Speaker.

IN SESSION COMMITTEE REPORT

Mr. Mark Minenko (Chairman of the Committee of the Whole House): The Committee of Supply has considered certain resolutions, directs me to report progress and asks leave to sit again.

I move, seconded by the Honourable Member for Burrows (Mr. Chornopyski), that the report of the committee be received.

MOTION presented and carried.

PRIVATE MEMBERS' BUSINESS

Mr. Speaker: Debate on Second Reading, Private Bills, on the proposed motion of the Honourable Member for Gimli (Mr. Helwer), Bill No. 18, An Act to amend An Act to Incorporate the Manitoba Motor League; Loi modifiant la Loi intitulée "An Act to Incorporate the Manitoba Motor League." (Stand)

ADJOURNED DEBATE ON SECOND READING

BILL NO. 2—THE BUSINESS NAMES REGISTRATION AMENDMENT ACT

Mr. Speaker: Debate on second reading, Public Bills, on the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 2, The Business Names Registration Amendment Act; Loi modifiant la

Loi sur l'enregistrement des noms commerciaux, standing in the name of the Honourable Attorney-General (Mr. McCrae).

The Honourable Member for Flin Flon.

Mr. Jerry Storie (Flin Flon): Thank you, Mr. Speaker.

I am disappointed that the Attorney-General (Mr. McCrae) did not take this opportunity to enlighten us with respect to his intended actions when it comes to this particular Bill. I say that because Mr. McCrae is quoted quite liberally—oops, I should not say that word—in an article in the Free Press on July 30, 1988, in which he says: "In response to a question in the Legislature from Mr. Maloway, Mr. McCrae said that his department is acting on the failure of The Brick Warehouse Corporation to register its name in Manitoba."

Mr. Speaker, it is now some 120 days since that act of omission was committed—or omitted, I guess, as the case might be—and the clock is running and the Minister has missed another opportunity to perhaps shed some light onto his own actions and the actions of his department when it comes to reviewing this case and coming to a satisfactory conclusion. I say by "satisfactory," a conclusion which would support the contention of Mr. Fred and Cynthia Brick that this particular injustice can be dealt with expeditiously or should be dealt with expeditiously by the Attorney-General.

We can only speculate on this side as to why the Attorney-General is not acting. There have been several rather sound reasons given for his failure. The one most frequently given, I should say, is it is rumoured that he is concerned because Brick Corporation is a large organization and that they are in the process of establishing, if they have not already established, a business in the Member's own riding. The suggestion has been made that perhaps the Attorney-General is afraid to make waves because of the activities in his own back door, so to speak.

I think it is worthwhile to consider the history of this particular case. I believe the Attorney-General has had a chance to meet with the Bricks, Cynthia and Fred Brick, who undoubtedly gave him a long history of their business involvement in this province. It has been a long and distinguished history. The Bricks have been in Manitoba in business for approximately 28 years. They probably typify the small business approach to business in this province. They pride themselves on their integrity, the quality of the service they provide to the people whom they serve and on the product that they serve. They believe in quality from the beginning to the end of the business transaction. I have read several of the letters, some of which were directed to the Attorney-General, which outline very simply their business philosophy.

I think what is most galling for them is that this issue, the conflict between Brick Warehouse and Brick's Fine Furniture, has created them endless turmoil, personal discomfort and personal pain. They are concerned about their reputation as individuals, as a family, as a business throughout this issue. They feel that their

business name, their own personal integrity is being attacked, is being impugned by the actions of someone who they believe, and I think quite rightly, should not be doing business as a business entity under their current name in the Province of Manitoba.

I think that the Attorney-General would be the first one to ascribe to the belief that an injustice to one is an injustice to all. I think, if the Attorney-General would know that if we are not prepared to act on behalf of Brick's Fine Furniture and these two individuals, entrepreneurs in the Province of Manitoba, to protect their rights to operate in Manitoba, then we are failing a whole group of small businesspeople who may find themselves in exactly the same circumstances, and have.

There are a number of other businesses in Manitoba, businesses that had been named by the Member for Elmwood (Mr. Maloway) and some of my colleagues which indicate that this problem may be a growing one, that it is one that has faced other businesses who operate in the Province of Manitoba, who feel that they are protected by virtue of the fact that they are appropriately registered in the Province of Manitoba and who subsequently find that in fact they are not protected nearly as thoroughly as they feel they should be protected. So what my colleague has done after months of watching two people, a business threatened, watching two people struggle to maintain their own sanity as well as their business integrity, has decided to introduce for debate in this Legislature a Bill which would hopefully correct the circumstances and apply a measure of justice to this basically unjust situation.

* (1710)

The Business Names Registration Amendment Act may be imperfect; however, it is an attempt to deal with a serious, legitimate problem. It is an attempt which obviously pre-dates, pre-empts action on the part of the Attorney-General (Mr. McCrae) to whom the province rightly looks for action. The Attorney-General has indicated, as I read somewhat earlier, that he intends to act. The Bricks, of course, asked the very legitimate question: When? Are we still going to be around? Is there going to be anything left of our business reputation when the Attorney-General decides finally to act? Unfortunately, as I indicated, we on this side have not been a party to any of the discussions the Attorney-General may have had with either Brick Warehouse, with officials in his department, or lawyers who have met with the Opposition in this case, so we do not have the facts. We do not know what alternatives this particular company may have.

However, it is my belief and I think the belief of Members on this side that Brick Warehouse has alternatives at their disposal which would not be onerous obligations for them as a large corporation to undertake to protect these individuals. But if they were coming here as good citizens, good corporate citizens and they were really interested in building a solid reputation, à la Manitoba business, they would simply agree to change their name, to use another corporate logo, which they can do. Concept 2000, I believe, is the one that is available to them to do exactly what

they are doing right now, and that is operate a furniture business. So they have options.

So you have to ask yourself the question: What motivates them to pursue this course of action, to remain in direct conflict with Manitoba law, to remain in conflict with a Manitoba business, a long-standing Manitoba business? What motivates them to maintain in the face of these obstacles? Certainly they have not made it clear to either the Bricks or to my colleague or anyone else that I have heard from that somehow their operation would be jeopardized by changing their business name. I do not think there is any evidence that would necessarily happen.

Brick Warehouse was not, is not, that well known in the Province of Manitoba. That is evidenced by the fact that the Brick's Fine Furniture is being harassed on a continual basis by customers who are dissatisfied with service in one respect or another at Brick Warehouse. So if people automatically think of Brick's Fine Furniture, which has been here for 28 years, it is quite obvious that Brick Warehouse would not be losing substantial business, would not be undertaking significant risk by changing their name, operating under another corporate logo to protect the interest of this small business.

Mr. Speaker, what is most disconcerting about this whole issue is the silence from Members opposite, from the Attorney-General (Mr. McCrae), from the Minister responsible for Business, the Minister of Industry, Trade and Tourism (Mr. Ernst), the silence. These people, Members on the front bench, the Members on the Government side have presented themselves as the great protectors of private enterprise, small business, the industrial sector in the main. Here we have a glaring example where inaction speaks louder than words.

The Attorney-General (Mr. McCrae) has not made it very clear to all and sundry what prevents him from acting in a more straightforward and authoritative manner. What prevents him from taking the action which my colleague took, introducing a Bill to make the necessary amendments to The Business Names Registration Amendment Act? What has prevented him from acting in concert if necessarily—we are certainly not opposed, Mr. Speaker, to the Attorney-General acting in concert to change either the federal Business Names Registration Act or the Manitoba Act. If there has to be some cooperation between the Attorney-General and the Solicitor-General or whatever, certainly we would want that to take place. But the silence, the lack of communication from the Attorney-General is not acceptable. It is not acceptable to Members on this side who put forward this legislation in good conscience.

It is not acceptable to the Bricks who find themselves still at loggerheads with this company, and who find themselves faced with mounting personal business pressure because of their present circumstances, so we have introduced an amendment. Although it has some provisions including the retroactivity, which may not be normal, it is nonetheless necessary. The nature of the complaint is such that, if we are going to solve the problem in Manitoba through an Act of this Legislature, that is the only choice that we have.

Mr. Speaker, having had a chance to meet with the Bricks, I understand why they are becoming frustrated with the lack of action on this particular case. They would tell you, they would tell this Chamber that the last several months have been months of unlimited hours spent trying to untangle this particular mess. They have done, I think, more than their share when it comes to meeting, discussing this issue, trying to come to an amicable agreement with The Brick Warehouse. I think that they have stated their position as clearly as they can. I think that, if you simply look at this as a matter of social justice, as a matter of pure raw justice, it cries for a solution. The solution cannot be an accommodation which impacts negatively on Brick's Fine Furniture. That simply is not allowable.

We are here as legislators to protect the interests of individuals and these individuals in business in Manitoba. Where we have that ability at our disposal, we should act upon it. So this legislation which we believe should be passed forthwith, we are asking for the cooperation of the Attorney-General (Mr. McCrae) and Members of the other Opposition, because we feel that it is imperative that this issue be solved and solved quickly, because these people are awaiting a solution. They are awaiting what they see as justice. To deny them justice, Mr. Speaker, would be an injustice in itself.

I know my time is almost up, and I know there may be Members who want to speak on this issue. I would certainly be anxious to hear whether there is general support for this amendment. The Member for Lakeside (Mr. Enns), who is a long-time supporter of small business in the province, may in fact be disposed to supporting this legislation because of its impact on a Manitoba business and some people with a great deal of integrity, not unlike himself.

Mr. Speaker, could you indicate how much time is remaining? Time is completed? Well, thank you for allowing me this time. I think it is important to get those remarks on the record.

Mr. Richard Kozak (Transcona): Mr. Speaker, the Official Opposition finds the intent of this Bill acceptable in principle. However, we are concerned, as my colleague, the Honourable Member for Burrows (Mr. Chornopyski), pointed out in his recent address, that this Bill may be flawed and inoperative. Therefore, we ask that Bill No. 2, along with Bill No. 3, be sent to committee for consideration so that the flaws can be removed, seconded by the Honourable Member for Burrows.

* (1720)

Mr. Bill Uruski (Interlake): I do not think a motion is allowed at this point in time.

Hon. James McCrae (Government House Leader): Mr. Speaker, as I understand it, we are discussing today the motion for second reading of Bill No. 2. This would be a time, if Honourable Members in the Liberal Party wish to participate in the debate, but all the Members who wish to speak at second reading stage have not had their opportunity. I know there are Members in the

New Democratic Party who would like to speak and, at an appropriate time, I too would like very much to speak to both of these Bills. Therefore, I wonder if the Honourable Member would reconsider asking that the Bill move too quickly to the Committee Stage.

Mr. Kozak: In the interest of the amenity of the House, Mr. Speaker, I would not like to cause inconvenience to the Government benches. We have spoken to the Bill to the extent that we choose to do so. I think our colleagues to the left feel much the same way. We feel strongly that committee consideration is required to remove the flaws which currently would render this Bill inoperative.

Mr. Storie: Certainly, in the interests of accommodating my colleague from Transcona (Mr. Kozak), this side would be more than willing to let this Bill go to committee. I know that the Attorney-General (Mr. McCrae) will have ample opportunity to discuss it and to speak on the Bill at third reading, as he suggested on Friday. Certainly, we would be more than willing to let this go. It is a matter of justice and to the extent that we can speed it through this process, I think we should.

Mr. McCrae: Mr. Speaker, this is indeed a very important matter and Honourable Members will recognize that the matter was dealt with in Question Period and has been the subject of speeches from Honourable Members opposite on several occasions.

I would ask Honourable Members though to recognize the rights of all Honourable Members in this House, also to recognize the fact that the matter has been aired in Question Period. I would ask Honourable Members to read the responses that I made at the time in Question Period.

I suggest that the Bill should continue to stand at this stage of the proceedings until the appropriate response can be made by Members on the Government side, as well as any other Honourable Member who wishes to make a contribution to the debate.

Mr. Harry Enns (Lakeside): Mr. Speaker, on a matter of order, this Bill will automatically proceed to committee along its course when Members have exhausted their indications of wishing to speak to it on principle at second reading. If Members wish to speak to it at this time, they may do so, or if Members wish to speak at a later date, they will take the adjournment. But the Bill will, in its own due time, come to a committee stage without any motion on the part of any Member of the House.

Mr. Storie: Mr. Speaker, I acknowledge the Member's point and we are certainly not intending to deny anyone their right to speak on this amendment. I simply indicate that, if there is a willingness on the part of the Attorney-General (Mr. McCrae), who indicated he may want to speak, this matter is a matter of urgent public—urgent private importance, actually—because these individuals have been suffering under what is clearly an injustice for too long. In the interests of speeding the process, if there is a willingness on the part of Members to

forego their opportunity, this opportunity to speak on this Bill, and there will be other opportunities, then I would certainly be ready to concede that it move to committee.

Mr. Bill Uruski (Interlake): Mr. Speaker, just on the point of order that was raised by the Member for Lakeside (Mr. Enns), his assertion is not quite correct. Being a Private Member's Bill, it can be stood indefinitely and does not require to meet the day of committee.

I am prepared, as one Member who wanted to speak on this Bill, to forego my right at this juncture and allow it, as suggested by the Honourable Member for Transcona (Mr. Kozak) in his motion, to move to committee. The Attorney-General (Mr. McCrae), in terms of the calling of committee, who is also House Leader, will have the intervening time that he sets up committee to have his legal advisers and the like and the advice that he needs to make whatever corrective changes to the Bill in committee. It can flow because, if the Bill is flawed and our Members here are not perfect and are open to some corrective amendments, that may be stated as long as natural justice is done and that is really the intent of the motion here.

Mr. Speaker: Order, please. I would like to declare a little bit of clarification. There is not a point of order. I appreciate the fact that Honourable Members are trying to assist us in figuring which route we are going to take for this.

The Honourable Government House Leader.

Mr. McCrae: Mr. Speaker, on the matter of the procedure to be followed at this point, I appreciate what the Honourable Member for the Interlake (Mr. Uruski) has said. On the other hand, I would hate to be denied an opportunity at second reading to discuss the principle of the Bill.

The Honourable Member for Flin Flon (Mr. Storie) has said it is a matter of private importance. I differ with the Honourable Member on that. I think it is a matter of great public importance not only to the Bricks, whether the Alberta Bricks or the Manitoba Bricks, but other businesses that find themselves in the same situation.

I have spoken privately to Honourable Members on the other side and I think at this time I would like to reserve my right to speak to the principle of the Bill but on another occasion, hopefully in the not too distant future. In that connection, I would move, seconded by the Honourable Minister of Municipal Affairs (Mr. Cummings), that the debate be adjourned.

Mr. Speaker: It has been moved by the Honourable Attorney-General, seconded by the Honourable Minister of Municipal Affairs, that debate be adjourned on Bill No. 2. Agreed?

The Honourable Member for the Interlake (Mr. Uruski), on a point of order.

Mr. Uruski: Just some clarification. You, Sir, may want to seek some advice. There has been a motion placed

on the floor by the Honourable Member for - (Interjection)- Well, the Minister of Transportation (Mr. Driedger) says it cannot be done. It may very well. I would like your clarification to that motion and to see whether it is in order. If it is not in order, Mr. Speaker, then certainly the motion, which is already a standing motion in the name of the Attorney-General (Mr. McCrae), is unnecessary.

Mr. Speaker: I would like to remind all Honourable Members of our Rule 55, which says: "All motions, except motions to adjourn a debate, shall be in writing." Does the Honourable Member for Transcona (Mr. Kozak) have his motion in writing?

The Member for Transcona.

Mr. Richard Kozak (Transcona): Mr. Speaker, it was not my intent in moving the motion to deprive any Honourable Member of his right to speak in this House. Therefore, if the House concurs, the Honourable Member for Burrows (Mr. Chornopyski) and I would like to withdraw the motion.

* (1730)

Mr. Speaker: Agreed? (Agreed)

The Honourable Member for the Interlake.

Mr. Uruski: I am a bit concerned that the Attorney-General has not been able to get his legal advice together on the direction that his Government plans to take on this legislation that, as presented by the Member for Elmwood (Mr. Maloway), attempts to bring about really some fairness in the whole question of retail matters and business names.

In terms of this specific Bill, it relates to business that has been of long family tradition, a small business within Manitoba. The family has operated it for almost three decades and has, in fact, been seriously infringed upon by a firm from outside this province who is now—and I watch the odd bit of television late at night in the evenings—advertising really to beat the band, if one could put it in those terms, or to beat the "Brick" into the ground in terms of their business dealings.

You have on the one hand, a multifaceted merchandiser of warehouse proportions versus a small family business who have built up their business on the basis of service, of quality and of community involvement within the City of Winnipeg.

I understand as well, and I think the Attorney-General (Mr. McCrae) will have to clarify this, that the national firm—maybe not national, but several provinces—is also building a facility in the community of Brandon, which is fine, but I hope the Minister is not now vacillating because of some discussions or no discussions within his own constituency if that is where the business is. So the Minister himself should without any delay be making his intentions known to this House.

I mean, the Bill has been in this Assembly for about a month or longer and in fact the Attorney-General (Mr. McCrae) has taken the first adjournment and has

stood the Bill every time it has come up, which has been for several weeks now. He stood it a number of times.

Clearly, he is not doing small businesspeople any service by his—at least he said publicly that he supports the Brick family and the contention that their business name should not be abused. Since he has made those public statements, he now by his lack of action appears to be - (Interjection)- No, I will not even say intransigence. The Member for Lakeside (Mr. Enns) says by his intransigence. I will not even say that. We are just not sure where he is coming from. Let us have him come clean.

On the one hand, he has made the statement publicly saying, yes, he supports the Bricks contention but he is really not doing anything about moving this legislation on, or at least having his department say, look, we do not agree with this section in the Bill and we propose changes. Do it in committee.

He has the battery of lawyers in terms of legislative counsel. Let us have this piece of legislation go to committee and let us deal with it rather than, as it appears—because one of his own Members, the Member for Lakeside (Mr. Enns), rose on a point of order to indicate that this Bill will come to committee, well knowing because of his experience in this Assembly that a Private Member's Bill can sit on the Order Paper and be stood and sit and sit and sit and never see the light of day. I believe that the Member for Lakeside (Mr. Enns) well knows better that is not the case and that, if we are really going to do something worthwhile for small businesspeople in this province, then let us move on and deal with this piece of legislation and the accompanying Bill.

I believe there are many other businesses in the same predicament. I believe that there are many people who have found themselves in this predicament but have just sat quietly by and have not raised a fuss. It took the Brick family in the City of Winnipeg to say "no" to this challenge. "We have been here almost three decades; we have built up a family business in the Province of Manitoba. We are not going to take this lying down."

I expect that there will be other challenges and in fact, if the Brick company which has moved into the Province of Manitoba is now building in Brandon, clearly—

An Honourable Member: They opened the store a month ago.

Mr. Uruski: —they are, in fact, intent on flaunting the regulations and the laws of this Province of Manitoba. The Attorney-General (Mr. McCrae) should not be sitting idly by and allowing this to happen when they have not only done it once but they are doing it twice in the Province of Manitoba.

So, clearly, I ask the Attorney-General at his earliest convenience to clarify that situation because it does leave the impression that somehow there is a new business opening up in Brandon that is being challenged and the Attorney-General is not moving quickly when

he could be moving very quickly. What is the connection there? So let him apply the law in this case and deal with this situation.

The Member for Elmwood (Mr. Maloway) handed me a letter from another company in the City of Winnipeg—Advance, Audio and Visual Professional Division—which is situated right here in Winnipeg on Portage Avenue, and they have offices in Saskatoon and in Regina, Saskatchewan. He wrote early this spring yet to the federal Minister of Consumer and Corporate Affairs, the Honourable Harvie Andre, and I would like to read this letter if it has not been read into the record, because I think it clearly shows that this problem is far more prevalent than most legislators realize, and especially legislators in this province.

I quote a letter to Mr. Andre: "In connection with Mr. Brick's difficulties, I would like to draw your attention to our own company's travail with a firm out of Toronto.

"Advance Electronics is a Manitoba-based electronics firm with a staff of 120 in operation in the cities of Winnipeg, Regina and Saskatoon since 1953. Yet in February of 1985, Stereo Voice of Canada Ltd., a Toronto-based electronics firm, filed in Ottawa for the registration of the name 'Advance' as a federal trademark. After three years of legal haggling and several thousands of dollars in legal expenses, enclosed is the copy of just the very latest billing. The issue remains unresolved.

"Needless to say, should Stereo Voice succeed, it would immediately proceed with plans to market electronic goods in our respective markets using the name 'Advance.' Such a development would have a devastating effect on our ability to carry on, as it would force our company to compete against its own name. Clearly, Canada's federal laws governing registration of trademarks leaves smaller, provincially registered companies exposed to retroactive disenfranchisement by larger national or international corporations.

"Brick's Fine Furniture, in business since 1968, finds itself in a perilous situation today. Its future is in serious jeopardy. Dozens of Manitoba-based firms are rallying around Mr. Brick's efforts to stave off the demise of his company. Should Brick's Fine Furniture be forced to close its doors, I fear, Mr. Andre, the Brick Affair would become a cause celebre in Canada.

"I urge you, sir, to give this very grave matter your immediate attention. Yours truly, Arnold Frieman, President of Advance Electronics in Winnipeg, Audio and Visual Professional Division."

* (1740)

Mr. Speaker, clearly here is clear advice from an operating business in the Province of Manitoba which has already spent thousands of dollars on legal fees attempting, over the last number of years, to deal with this very same situation. But obviously it was not publicized in the media, so legislators, MLAs, in this province were never aware of it. No one had spoken to this business which employs over 100 people in its business and in fact has the same difficulty and has spent, by the copy of the bill here, almost \$2,000 on legal fees and still is nowhere ahead.

Mr. Speaker, can you imagine setting up a business under your name as a farm dealership business and have someone in the neighbouring community say we are setting up the business by the same name and saying we will undercut, we will sell lower than elsewhere? You are in a position of basically competing against yourself. You end up, proverbially, cutting your own throat and seriously impacting on small business in this province.

Or the Member for Gimli (Mr. Helwer) whose family or himself owns a fertilizer distribution business in that community.—(Interjection)—Yes, he owns. If someone in the Interlake region set up a firm of the same name, I am sure he would be up in arms voicing his concerns to the Attorney-General, saying what are you doing to my business. Here I am, I am out cutting my own throat competing against myself.

The Members on the Government side should tell the Attorney-General (Mr. McCrae) of this province to get off the proverbial pot. Let us move on it. You have your legal advisers, surely it should not take you a month to get legal advice on this matter. Apply the law as it should be and make sure that small business is given the natural justice that it deserves. Do not leave small businesspeople hanging. They can ill afford this kind of delaying tactic of the Attorney-General. Let us get on with the show and pass these changes which will put at least small business at some equal footing with multinational corporations that want to put some of these small businesses out of business.

Mr. Speaker: Bill No. 2, I understand will stand in the name of the Honourable Attorney-General (Mr. McCrae). (Agreed)

On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 3, The Corporations Amendment Act; Loi modifiant la Loi sur les corporations, standing in the name of the Honourable Attorney-General. (Stand)

On the proposed motion of the Honourable Member for Flin Flon (Mr. Storie), Bill No. 13, The Manitoba Hydro Amendment Act; Loi modifiant la Loi sur l'Hydro-Manitoba, standing in the name of the Honourable Member for Lakeside (Mr. Enns). (Stand)

BILL NO. 16—THE REAL PROPERTY AMENDMENT ACT

Mr. Speaker: On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 16, The Real Property Amendment Act; Loi modifiant la Loi sur les biens réels, standing in the name of the Honourable Attorney-General (Mr. McCrae).

Hon. James McCrae (Attorney-General): I am pleased to join in the debate on Bill No. 16, known as The Real Property Amendment Act, standing in the name of the Honourable Member for Elmwood (Mr. Maloway).

I find it somewhat strange, after two-and-a-half years of membership in this place, the Honourable Member would wait until the defeat of his own Government and wait until the problems associated with the Land Titles

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Office are now the responsibility of a new Government to come forward with one of the solutions that he brings forward within the pages of Bill No. 16.

The Land Titles Office delays and the publicity that attends those delays bring the Honourable Member for Elmwood (Mr. Maloway) to bring forward Bill No. 16. I have to ask the Honourable Member and I ask you, Mr. Speaker, where was the Honourable Member for Elmwood for the past two-and-a-half years? I believe, in one of his many press releases, we read that he has been very concerned about the Land Titles Office for the past two-and-a-half years. I say, where was he? Did he make his voice heard during those years?

Somehow, something happened on April 26, 1988, to loosen the Honourable Member's tongue and to make his concern become real and known to the people in this province. Let us not pretend or let us not fool ourselves about what is going on with Bill No. 16. It strikes me as somewhat strange that a man who would like to have his credibility preserved and enhanced through his association with this place and through his undoubted service to his constituents would bring forward issues relating to the Land Titles Office after the last number of years of failure under the Government that he supports.

I must say, Mr. Speaker, that as Attorney-General, responsible for the Land Titles Office, I was very pleased very soon after my appointment as Attorney-General to be able to rally the support of my colleagues in the Cabinet and in the caucus of the Progressive Conservative Party to do something about the unconscionable delays at the Land Titles Office. On June 17, the new Government was able to find the resources to do something about a problem that we had seen and perceived for some time. I did not wait for a number of years, as has been done in the past with agencies such as Land Titles Office, to do something to bring better service to the people of the province and certainly the City of Winnipeg.

It was not so long ago, just last week, I was able to announce the performance we had been able to achieve in the month of October and to compare that performance with targets laid down on June 17. In July, we were able to meet with some success. At that time, I remember feeling just a little bit fearful for the future in terms of making great claims about Land Titles Office for the month of August, or the month of September, or the month of October. The hard-working staff at Land Titles Office worked very hard and have worked very hard since June 17 and have produced results that I am proud of and that the residents of the City of Winnipeg can look forward with even more confidence to the future as we work very hard at automating the process at the Land Titles Office and bringing that backlog down into reasonably manageable levels.

I was also very pleased, Sir, to announce the other day, as well, the appointment of Alexandra Morton as Registrar General for the Land Titles in Manitoba. I was especially pleased. Ms. Morton is the first woman ever to hold this position. That is significant enough, but this particular Registrar General has unique and very valued qualifications that she brings with her to the job. Ms. Morton has been active in the Real Property Subsection of the Manitoba Bar Association for a

number of years. She served as chairperson for the last two. Her peers hold her in high esteem for her knowledge of Land Title systems and operations in the Province of Manitoba. We are just very pleased to welcome Ms. Morton to the Land Titles Office.

Under the circumstances, she has a significant challenge ahead. She has accepted the challenge. I am grateful for that and I think the people of Manitoba should be grateful and the people of the City of Winnipeg will be pleased. I believe, as the future unfolds and as better service and quicker turnaround manifests itself at the Land Titles Office.

* (1750)

The Honourable Member may not have intended it but I do believe that, if he looks carefully at his Bill, he will see that, whether directly or indirectly, it would result in the expenditure of public money, so that we have a bit of a problem with the Bill from that standpoint, Mr. Speaker.

The Bill would have lawyers taken from the Legal Services Division of the Department of Attorney-General serving in some five or six Land Titles districts in this province. Because those lawyers come from within, the Honourable Member would suggest, I suppose, that we are not putting a further charge on the people of Manitoba to provide this service. I suggest, however, that, if we take five or six lawyers out of the Legal Services Division of my department, there would be quite a gaping hole there, quite a gap in terms of the service that the Legal Services Division of my department would be able to provide and so that those lawyers would have to be replaced by other lawyers. So I suggest that this Bill would impose upon the Government of Manitoba a certain budgetary consideration which would have to be dealt with.

Mr. Speaker, in addition to some of the brief comments I have already made, I would like to tell the Honourable Member and all Honourable Members that there is no requirement for the public to engage a lawyer to prepare and register documents for Land Titles processing. This is something you can do without a lawyer. There is nothing in the law that says you have to have one. Neither, Sir, is there anything in the law that says that the Land Titles system must provide one. In fact, Land Titles officials are prohibited by statute from practising law.

What the Honourable Member is doing with regard to Bill No. 16 is sort of doing a runaround of that spirit or that principle of the law in Manitoba and saying that some other employees of the Government, professional people, can be used to serve the public in this capacity. I suggest that, while the Justice Division does not have the staff years available to allow lawyers in the employ of the Government to provide this service, I suggest that there would be somewhat of an ethical conflict, and I am a little surprised that the Honourable Member would be proposing such a thing.

Where staff was available, Mr. Speaker, it is unlikely that the public would see the role of the Government as competing with private business; that is, usurping the function of the legal profession. Where parties are dealing with land, they have some financial stability and

the situation would not be analogous to services offered by Legal Aid to those unable to seek redress through the justice system.

Land conveyancing, Sir, is an economic activity best left to the business community. If the Government officials were to be involved in preparing land documents while at the same time other officials of that office were examining those documents or other officials of the Government were examining those documents for their propriety, a clear conflict of interest would develop. Not only must no prejudice or favouritism be shown but the appearance of such must not be held out to public criticism.

So I think this Bill is more than just flawed. It comes at a particular problem from the wrong direction altogether. I cannot support this Bill in principle. To attempt to amend this Bill would really be a fruitless exercise. The fact is we are working very hard as a new Government to end the difficulties relating to the Land Titles system in Winnipeg and in all of Manitoba. I think that, when the time does come, when the system in Manitoba is fully automated, Mr. Speaker, I believe that Manitobans will be very well served indeed by the Land Titles system in our province.

So while I appreciate the concern of the Honourable Member, as I said at the beginning of my comments, the concern strangely comes after the defeat of his own Government. I really think the Honourable Member has a lot of courage to bring forward this issue at this time in the history of Land Titles in Manitoba—some might even say “gall”—to come forward at this time. In fact, I think I would make the suggestion the Honourable Member has a lot of gall to come forward with a suggestion like this when, for the last two-and-a-half years, he sat strangely silent and allowed his Government to preside over the difficulties that we have all been hearing about at Land Titles.

I must say I would look forward to a discussion with the Honourable Member for St. James (Mr. Edwards) on this issue. I wish he could hear my voice today. Perhaps he will have the opportunity to read my comments in Hansard, but I would like to hear what the Honourable Member for St. James has to say about the situation at Land Titles now, as contrasted with the situation he suggested existed a month ago when he came into this place and made the incorrect assertion that there was a 43-day wait at Land Titles for service there, and to compare that incorrect figure which he laid before the people of Manitoba with the facts as gleaned by myself from officials in the department.

I am very pleased with the work we have been able to do. I am very grateful for the support I have received from other Members in the Government and from the Premier (Mr. Filmon) for his understanding and his concern about just what is going on at Land Titles. It takes that kind of recognition of problems, the real problems out there, the fact that people were going through a fair amount of inconvenience and expense because of difficulties created and maintained and allowed to exist by the previous Government.

So I am pleased to say that we do not need the Bill that the Honourable Member is proposing. The people

of Manitoba will soon find the Land Titles Office in Winnipeg is far better able to respond quickly to the business that the people of Manitoba bring before it. I must add a word just as I finish and say once again how very grateful I am to the people who work at the Land Titles Office in Winnipeg, those people who have agreed during the long, hot summer months to work extra hard. I agree to work extra long for overtime pay, but I can think of better things to do in the summertime than to be stuck in the office and working extra hard to try to attempt to serve the people of Manitoba better in our Winnipeg Land Titles Office.

So with that, I will suggest to Honourable Members that the Bill really would create difficulties for the administration of the affairs of the Land Titles Office generally and certainly for the affairs of my department. On that basis alone, the Bill should not be allowed to go any further, but the fact is the Honourable Member is using, it appears to me, this Bill to make a point about Land Titles, a point which is very well recognized by myself, and that is that the service at Land Titles, the waiting period at Land Titles has been unacceptably long. We are moving as best as we can in a most efficient and most determined manner we can, in a most responsible way, to solve the problems at Land Titles Office, and that will help of course meet the concerns the Honourable Member has raised.

So I would ask all Honourable Members to support the Government in its drive to improve conditions at the Land Titles Office and to continue to try to provide the very best service at the best cost to all Manitobans. Thank you.

Mr. Darren Praznik (Lac du Bonnet): I would like to move, seconded by the Member for Kirkfield Park (Mrs. Hammond), that debate be adjourned.

MOTION presented and carried.

SECOND READING

BILL NO. 20

THE WATER RIGHTS AMENDMENT ACT

Mr. John Angus (St. Norbert) presented Bill No. 20, The Water Rights Amendment Act; Loi modifiant la Loi sur les droits d'utilisation de l'eau, for second reading.

MOTION presented.

Mr. Angus: Mr. Speaker, I need your guidance in relation to speaking on this.

Mr. Speaker: Is it the understanding of the House . . . ?

Mr. Angus: I would move that it would be six o'clock.

Mr. Speaker: Is it the understanding of the House that this matter will remain in the name of the Honourable Member for St. Norbert (Mr. Angus)? (Agreed)

Is it the will of the House to call it six o'clock? (Agreed) The hour being six o'clock, this House is now adjourned and stands adjourned until 1:30 p.m., tomorrow (Wednesday).