

**THE LEGISLATIVE ASSEMBLY of MANITOBA**  
**Monday, March 14, 1977**

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TIME: 2:30 p.m.

**OPENING PRAYER by Mr. Speaker.**

**MR. SPEAKER, Honourable Peter Fox (Kildonan):** Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 45 students of the Munroe Junior High School. These students are under the direction of Mrs. Goodridge and Riedmuller. This school is located in the constituency of Kildonan which is my own constituency.

We also have 37 students of Grade 9 standing of the : Grant Park Junior High School under the direction of Miss Suttie. This school is located in the constituency of the Honourable Member for River Heights.

We have 15 students of the Rosenort Collegiate under the direction of Mr. H. Bjarnason. This school is located in the constituency of the Honourable Member for Morris.

On behalf of all the honourable members we welcome you here this afternoon.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion.

**INTRODUCTION OF BILLS**

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

**HONOURABLE RUSSELL PAULLEY (Transcona)** introduced **Bill (No. 25) An Act to Amend the Buildings and Mobile Homes Act and Bill (No. 26) An Act to amend the Apprenticeship and Tradesmen's Qualifications Act.**

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

**HONOURABLE LAURENT L. DESJARDINS (St. Boniface)** introduced **Bill (No. 27) An Act to amend the Health Services Insurance Act and Bill (No. 28) An Act to amend The Elderly and Infirm Persons' Housing Act and The Health Services Act.**

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

**MR. GEORGE HENDERSON** introduced **Bill (No. 31) An Act to amend An Act respecting the Holding of Real Property in Manitoba by The Manitoba and Northwestern Ontario Command and Branches of The Canadian Legion of British Empire Service League.**

**ORAL QUESTIONS**

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

**MR. STERLING R. LYON (Souris-Killarney):** Mr. Speaker, I have a question for the Honourable the Minister of Public Works. Can the Honourable the Minister confirm that the projects for five government buildings that he announced on December 22, 1976 at a cost of approximately \$50 million are proceeding?

**MR. SPEAKER:** The Honourable Minister of Public Works.

**HONOURABLE RUSSELL DOERN (Elmwood):** Yes, Mr. Speaker.

**MR. LYON:** Could the Honourable the Minister tell us, Mr. Speaker, the five projects envisaged in that \$50 million expenditure, please?

**MR. DOERN:** I'm sorry, I'd ask the Honourable Member to repeat that question.

**MR. LYON:** The five projects I believe it is that are envisaged, the five provincial government building projects that are envisaged in that program?

**MR. DOERN:** Mr. Speaker, there are five buildings and all of them are being designed. The exact point at which they are tendered is still subject to an option of the government. In this case, the five buildings are the Provincial Garage, the Autopac Motor Vehicle Branch Building, the Magistrate's Court, the Computer Centre and the Environmental Lab.

**MR. LYON:** A further supplementary. The statement he made to the press I take it is still accurate, that the cost of these buildings would be in the area of 40 to \$50 million.

**MR. DOERN:** Well, Mr. Speaker, that is an estimate of the cost.

**MR. LYON:** A final supplementary, Mr. Speaker. Has the Minister of Public Works informed the First Minister of this program?

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

**HONOURABLE EDWARD SCHREYER(Rossmere):** Mr. Speaker, lest there be a . . . permissible under the rules to answer a question even if only put to me by indirection, that with respect to the inner city, in response to the City of Winnipeg resolution which I understand was passed unanimously by the city, asking the Province of Manitoba to assist and co-operate in inner city renewal, our response was to come forward with an integrated proposal which has in the order of \$20 million residential component and in the same order of magnitude with respect to non-residential. The final decision with respect to the total quantum has yet to be determined but I can assure you that the ratio will be kept about half and half.

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

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**MR. WARNER H. JORGENSEN:** . . . draw to your attention that the weaseling of the Premier in no way can be interpreted as an answer to the question.

**MR. SPEAKER:** Order please. I am sure the Honourable Member for Morris realizes this is not the time to debate or to score points. If he had a question, I recognize him for that; if he wishes — (Interjections) — Order please. I am still on my feet. Would the honourable gentlemen give me the courtesy to finish what I have to say. If the honourable member has a point of order he wishes to raise, fine. If he has a matter of privilege that is acceptable too, but he got up as if he was going to ask a question and started to make a debate. For that, I say he is out of order. The Honourable Member for Morris.

**MR. JORGENSEN:** . . . a private question permitted then. The question that was asked of the Minister of Public Works was not answered by the Premier. He chose to use that opportunity to give an answer to some statement that he made the other night.

**MR. SPEAKER:** Order please. That is a matter of interpretation as to who wishes to ask. . . Order please. The question of the Ministry does not necessarily have to be answered by the member who has been designated, but by the one who feels the question is posed at.

**MR. JORGENSEN:** Mr. Speaker, that is not the point of that I raised. If you insist upon adhering to the rules of this House, I suggest that you have them applied to both sides . . .

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

**MR. SCHREYER:** Yes, on a point of order. Since the Honourable Member for Morris raises that particular ostensible point of order, I would ask you, Sir, if the rules permit a question as being valid, asking one Minister of the Crown if he has asked or informed some other Minister of the Crown? I believe that that is a degree of facetiousness which is not contemplated under the rules.

**MR. SPEAKER:** The point is well taken. The Honourable Member for Assiniboia.

**MR. STEVE PATRICK:** Thank you, Mr. Speaker. My question is to the Minister of Health and Social Development. It was indicated by the Canadian Council of Hospital Accreditation that Selkirk Hospital has lost its status. Could the Minister indicate to the House what were the causes for it and has he got a report for the House?

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

**MR. DESJARDINS:** Mr. Speaker, I haven't the final report. Of course, we are quite concerned. I might inform the House though it is not a question of danger of closing the hospital. There has been no criticism of patient care and treatment. I think that probably the main reason is that there has been a policy announced about a year ago, or a policy within the department, that would go along with closing or phasing out some of these patients in these institutions to start the Community Programs. I think that that has caused problems to the staff who were wondering how they stood. I think that probably the department was going a little too fast without being prepared. Now we are not changing that policy but we certainly have slowed down and I think that we must recognize there always will be — we might be able to phase out up to a certain point — but there always will be those kinds of institutions. Approximately five or six months ago, we've been looking at that, we're reviewing the whole process and I would hope that soon we will be able to receive accreditation again, and I think that shows the value of these things. At times when we announced that we received a creditation it was not considered important, but I think that that helps to keep us on our toes.

I wonder, if I may now, Mr. Speaker. . .

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

**MR. PATRICK:** Mr. Speaker, I wish to pose a supplementary. I believe the report also indicated there were several other Manitoba hospitals. Can the Minister indicate to the House what other hospitals and can he indicate will he be taking some measures to correct the deficiencies — whatever they were — within those institutions that there is no reflection on these hospitals in Manitoba?

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

**MR. DESJARDINS:** Mr. Speaker, I'll certainly wait till I get a full report on that. The report was that some of them did not have accreditation — well that's all across Canada, it's not only in Manitoba, it's not everyone that has them, in fact Selkirk was the first mental institution west of Ontario that ever received this accreditation, and Brandon has it also.

If I may, Mr. Speaker, the Honourable Member from Brandon West had wanted to know where we were at as far as the games in Brandon. So I'd like to just read and that would give the answer, a very short telegram that I've sent to Mr. Alex Matheson this morning: "The Province of Manitoba is approving a maximum contribution to the capital cost of the games of \$1 million plus \$150,000 transferred from the Minister's fund of the Western Canada Lottery Foundation. The details and conditions of this grant are outlined in my telex of March 13th, 1977, to the Honourable Iona Campagnolo which follows."

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

**MR. WARREN STEEN:** Mr. Speaker, I have a question. question of the First Minister in the absence of the Minister of Mines, Resources and Environmental Management. Does the province have any plans to assist the City of Winnipeg in setting up a buffer zone around the City of Winnipeg

to help halt the spread of Dutch Elm disease?

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

**MR. SCHREYER:** Mr. Speaker, there have been discussions with the City of Winnipeg involving principally the Ministry of Environmental protection, and also the Ministry of Agriculture' the one having to do with longer term considerations, the other having to do with the immediate program of attempted treatment and arresting of the spread if at all possible. So specifically in reply to the honourable member I would say that the proposals brought forward by the city, to my knowledge, have all been considered and discussed and an agreement has been entered into. More precisely as to whether the city has requested any establishment of a buffer zone, I would have to take that as notice.

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

**MR. LYON:** Mr. Speaker, a question for the Attorney-General I would ask in his absence of the First Minister. A series of questions were posed to the Attorney-General on Thursday last with respect to the administration of justice in relation to charges at the Griffin plant. The Attorney-General has not been present for the question period Friday or today, I wonder if the Honourable the First Minister could take notice of the renewal of the questions which are urgent in nature and see if they could be answered as soon as possible.

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

**MR. SCHREYER:** Mr. Speaker, if the Attorney-General is for some reason unable to be here to reply, I will undertake to have the information for my honourable friend tomorrow at 2:30. That's assuming that the department has it compiled, which I assume it will.

**MR. SPEAKER:** The Honourable Member for Fort Garry.

**MR. L. R. (BUD) SHERMAN:** Thank you, Mr. Speaker. My question is to the Honourable the Minister of Labour and arises out of a copyright story in today's issue of the University of Manitoba undergraduate newspaper, the Manitoban. I wonder if the Minister can advise the House whether, as the copyright story states, his department has been advised by Griffin Industries that that industry will leave Manitoba if compulsory overtime is outlawed.

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

**MR. PAULLEY:** Mr. Speaker, I'm not privileged to receive copies of the Manitoban as indeed, apparently, my honourable friend is. I don't know what he is referring to because I haven't read the same and it's all subject to a preposition "if" certain things happen or do not happen something else may happen. I would first of all suggest in all due respect to my honourable friend, the Member for Fort Garry, I question the advisability of questions of that nature as to whether they're in order and whether I, or any other member of the Assembly, should continuously read all documentations and all papers and such as apparently he has the time to do. And I want to say quite frankly to my colleagues in this Assembly, I haven't got time to read all of the papers which apparently my honourable friend, the Member for Fort Garry has.

**MR. SPEAKER:** The Honourable Member for Fort Garry.

**MR. SHERMAN:** A supplementary, Mr. Speaker. In view of the fact that it is a copyright story in the newspaper in which I referred, would the Minister undertake to investigate that allegation in discussion with his Deputy Minister? —(Interjection)— The Manitoban.

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

**MR. PAULLEY:** I am not responsible for any copywritten or otherwise written newspaper articles in any paper, Mr. Speaker, and I certainly will not give an undertaking to read and make comment as suggested by my honourable friend. I am entitled to my own opinion. I do not have to disclose those opinions to my honourable friend. I do want to assure the House that if the subject matter deals with an industrial dispute in the province of Manitoba, I'm fully aware of that particular situation. I do not think that a Minister of the Crown is answerable to the Manitoban, or any other newspaper or —(Interjection)— Yes, the Free Press in particular — and possibly the Stonewall Arts, that the Minister of Labour is not responsible and will not accept any responsibility to be responsible to the whole caboodle or any of them.

**MR. SPEAKER:** The Honourable Member for Portage la Prairie.

**MR. GORDON E. JOHNSTON:** Mr. Speaker, I direct my question to the Honourable the Minister of Education. Are recent reports correct that his present Deputy Minister, Mr. Orlikow, is moving on to other things, about June or thereabouts?

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

**HONOURABLE IAN TURNBULL(Osborne):** Mr. Speaker, he may or may not be.

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

**MR. DONALD W. CRAIK:** Mr. Speaker, I direct a question to the Minister of Urban Affairs. It refers to an announcement that the Provincial Government has approved grants to the City of Winnipeg for the construction program for the coming year. I wonder if he could indicate whether the St. Vital-Fort Garry bridge is included in the approval of the grants with the city.

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

**HONOURABLE SAUL A. MILLER(Seven Oaks):** Mr. Speaker, I assume the member is asking about the overpass of the Red River connecting Fort Garry-St. Vital. That was approved last year.

**MR. CRAIK:** Mr. Speaker, I wonder if the Minister of Urban Affairs can indicate whether any major new programs are included in the \$7 million indicated in the provincial share of their grants.

**MR. MILLER:** Well, Mr. Speaker, I can indicate that the City prioritized certain streets that they had in mind — Dugald Road Road was one of them — to serve a new industrial area in the St. Boniface part of the city. The other was the extension of the same Fort Garry-St. Vital corridor to cross the Seine River to service land MHRC owns in the South St. Boniface area.

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

**MR. CRAIK:** Mr. Speaker, I wonder if the Minister could indicate whether the amount approved with the City for the St. Vital-Fort Garry bridge are for design or for actual construction.

**MR. MILLER:** I think design was done some time ago. I stand to be corrected but I believe in fact the project was approved. I forget the amount; I know it's somewhere in the neighborhood of 50 percent of about \$14 or \$15 million, so it would obviously be more than just design.

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

**MR. DILLEN:** Mr. Speaker I ask this question of the First Minister in the absence of the Minister responsible for Employment. I wonder if the First Minister can confirm that there is a secret organization operating in Northern Manitoba who would appear to have the responsibility of dispersing millions of dollars in federal money and this secret organization was appointed by the Federal Conservative Member of Parliament?

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

**MR. SCHREYER:** Mr. Speaker, that sounds entirely too mystifying and subtle for me. I just have to beg to say that I'm not privy to Federal Government secrets.

## **ORDERS OF THE DAY**

### **ORDERS FOR RETURN**

**MR. SPEAKER:** The Honourable Member for Birtle-Russell.  
ORDER NO. 34.

**MR. HARRY E. GRAHAM:** Mr. Speaker, I beg to move, seconded by the Member for Fort Garry, THAT an Order of the House do issue for a return showing the following information in connection with the Manitoba Public Insurance Corporation for each of the fiscal years 1971 to 1976, inclusive:

**MR. SPEAKER:** Order please. . Will the Minister be prepared to accept the Order for Return. The Order for Return is accepted and so ordered. The second Order for Return by the Honourable Member for Birtle-Russell.

#### **ORDER NO. 35.**

**MR. GRAHAM:** Mr. Speaker, I beg to move, seconded by the Honourable Member for Minnedosa, THAT an Order of the House do issue for a return showing

1. The Acts of the Legislature of Manitoba which have been passed by the Legislative Assembly in each of the calendar years 1974, 1975 and 1976 which have not been proclaimed.

2. The sections of Acts of the Legislature of Manitoba which have been passed by the Legislative Assembly in each of the . calendar years 1974, 1975 and 1976 which have not been proclaimed.

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

**MR. PAULLEY:** Mr. Speaker, one of the purposes of Orders for Return is to seek information that is not available to members of the Assembly. All of the information contained in the Order just read by the honourable member, all of the information is available either in the appendages to the statutes or through research into Orders-in-Council which are public knowledge. On that basis and because we feel that the Order for Return or the subject matter is available, we will reject this Order for Return.

**MR. SPEAKER:** The Honourable Member for Birtle-Russell.

**MR. GRAHAM:** Mr. Speaker, may I then have the matter stood over for debate.

**MR. SPEAKER:** Order please. It is a decision which the Chair has to make. I must say, regrettably, the staff and I didn't check this one but I would concur with the Honourable Minister of Labour, public information that is available does not require an Order for Return so therefore this one is not valid. The Honourable Member for Gladstone.

**MR. JORGENSEN:** Mr. Speaker, on a point of order when an Order for Return for whatever reason is rejected by the government, the proposer of that particular Order for Return has the right to transfer that particular motion for debate in Private Members' Hour and that's what the member is doing.

**MR. SPEAKER:** The Honourable Minister of Labour on the same point of order.

**MR. PAULLEY:** Yes, Mr. Speaker, on the same point of order, I'm sure my honourable friend would recognize this that when a motion is ruled out of order, because of the subject matter or the

availability of the information is available in accordance with the rules of the House, then a member has not, in my opinion, the right or the privilege to ask that the matter be further debated. If it's not in conformity with the rules of the House, I raise the point of order or the rejection on the rules of the House. Mr. Speaker has concurred that the motion itself is out of order, so how can a motion that is out of order be transferred for debate?

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

**MR. JORGENSEN:** The Minister rejected the Order for Return on several grounds. Not one of them had anything to do with whether or not the motion was in order. You, Sir, never indicated that the motion was out of order when it was being read. The fact is that the motion was rejected by the Minister and having been rejected by the Minister, the member has the right to transfer it for debate on the period that is allocated for that particular purpose.

**MR. SPEAKER:** Order please. Before we go any farther, the practice has been that if the ministry accepts, and the Speaker will have to recognize a member from the Ministry in order to find out whether they accept, then the motion is accepted and so ordered. If there is a difference of opinion in respect to acceptance, the motion first has to be put before the House and then the motion will be transferred for debate if it's accepted by the Chair. In this instance I had not accepted the motion, I wanted to have a word from the Ministry whether they were prepared to accept. After the Minister of Labour pointed out that there was public information in respect of this, it drew attention to the fact the Chair had not done its homework and, therefore, I never accepted the motion in respect to the Member for Birtle-Russell, therefore it's not on the floor and it can't be transferred for debate.

We're under Order for Return of the Honourable Member for Gladstone.

**ORDER NO. 36.**

**MR. JAMES R. FERGUSON:** Thank you, Mr. Speaker. I beg to move, seconded by the Honourable Member for Rhineland,

THAT an Order of the House do issue for a return showing the following information related to the mineral acreage tax:

1. The total amount collected in each of the years 1974, 1975 and 1976.
2. The total administration costs to government in each of the years 1974, 1975 and 1976.
3. The number of acres that have reverted to the Crown since the inception of the mineral acreage tax.

**MR. SPEAKER:** Is this motion acceptable to the Minister, the Honourable Minister of Urban Affairs?

**MR. MILLER:** Mr. Speaker, I have discussed this with the Member for Gladstone and indicated, and I think I received concurrence, that reference to calendar years should be changed to that of fiscal years and I believe that the member indicated that is acceptable to him.

The other is that the first part, No. 1, is available and that information is in Public Accounts, that is the revenues collected in the fiscal years and, for that reason, I would suggest that we not offer that information, it's readily available. However, the other two points are acceptable and the information will be tabled with the House.

**MR. SPEAKER:** Is that acceptable to the Member for Gladstone? Yes. Moved by the Honourable Member for Gladstone, seconded by the Honourable Member for Rhineland, the motion as agreed to.

**MR. JORGENSEN:** Mr. Speaker, again on a point of order . . .

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

**MR. JORGENSEN:** . . . the Minister has suggested that the information contained in the first part of the order is available in Public Accounts and I would draw to your attention, Sir, that 1976 fiscal year is not contained in Public Accounts.

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

**MR. MILLER:** Mr. Speaker, on that Point of Order, that is true. I might also point out the fiscal year 1976-1977 is not yet completed.

**MR. SPEAKER:** Order please. The Honourable Member for Gladstone accept the motion with the caveat? The Honourable Member for Gladstone.

**MR. FERGUSON:** Yes, I think so, Mr. Speaker.

**MR. SPEAKER:** Thank you very much. So ordered. The Honourable Minister of Labour.

**MR. PAULLEY:** Mr. Speaker, I wondered if you would call in order the next items on the agenda?

**MR. SPEAKER:** Thank you.

**ADJOURNED DEBATES - SECOND READING**

**MR. SPEAKER:** Bill No. 2, The Honourable Member for Wolseley.

**MR. ROBERT G. WILSON:** Stand, Mr. Speaker.

**MR. SPEAKER:** Bill No. 4, The Honourable Member for Fort Rouge.

**MR. G. JOHNSTON:** Stand, Mr. Speaker.

**MR. SPEAKER:** Thank you. Bill No. 5, also in the Honourable Member for Fort Rouge's name.

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**MR. G. JOHNSTON:** Stand, Mr. Speaker.

**BILL (NO. 12) - AN ACT TO AMEND THE LOCAL AUTHORITIES ELECTIONS ACT.**

**MR. SPEAKER:** Bill No. 12. The Honourable Member for Gladstone.

**MR. FERGUSON:** Yes, Mr. Speaker. No. 12 we have examined. We find that most of the clauses contained herein are quite all right as far as we are concerned. The reduction of advance polling days we probably feel would be a little better if it was specified. It can now be done by by-law but we would maybe suggest that this be laid out in a firm manner. The rest of the bill, as I said before, is strictly a housekeeping bill. We have no hesitation in passing it on to committee. So with those few words, Mr. Speaker, our side is willing to let it go on.

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

**MR. PATRICK:** Mr. Speaker, I too find amendments on municipal changes, Local Authorities Election Act, minor and the changes are housekeeping and I agree with them.

I do have one question that I would raise with the Minister now. Most of the amendments bring it in line with the present Provincial Election Act, such as polling hours from eight to eight. I think we might as well standardize it and get used to the same hours. The point I would like to raise with the Minister is the number of days for the operation of an advanced poll. It is indicated in the legislation it would be reduced to one or two from the three days required under the present legislation. It was indicated, I think when the Minister introduced the legislation, that many municipalities have found themselves it wasn't necessary to have the three full days for advanced polling. Now, this may be true in municipal elections and out in certain municipalities or in various areas, but if we bring this into consideration as far as the provincial elections are concerned, I think it would be only necessary and very important with the amount of travelling people do, with a mobile society that many people have to be out on business, many are out of town and can't get back into town . . . The complaints that I have received for many years — not only complaints, but written submissions and, in fact, I have received from some service personnel petitions indicating that the two-day advanced poll that we had in the provincial legislation was not sufficient. They felt that there should be, perhaps in two different stages, three or four days of advanced polling. So, we are just going the opposite. What, in my opinion, would have been good legislation as far as the provincial legislation is concerned, is to give people sufficient time, the ones that do travel, the ones that are out of town for various reasons, be it service personnel, people on business, to give them sufficient time so that they have the right to exercise their franchise, their right to vote.

In this situation here, under the present legislation in municipal elections, perhaps the Minister would have more knowledge in this respect to see what kind of problems that were encountered before when we had the extra polling days. Maybe he is correct but I wish that would have been left on a voluntary basis, at least leave the three days. My concern is giving the people the right and making it available or feasible for them to have the time to exercise their right to vote instead of curtailing it. I find that bringing it back from three days to one day we may be curtailing it. That's the only question that I am raising with the Minister now.

As far as the other amendments, I see nothing wrong with them. In fact I think they are bringing it in line with the other legislation and I think they are good amendments.

**MR. SPEAKER:** Are you ready for the question? The Honourable Minister shall be closing debate. The Honourable Minister of Municipal Affairs.

**HONOURABLE BILLIE URUSKI(St. George):** Mr. Speaker, I move, seconded by the Minister of Northern Affairs, debate be adjourned.

**MOTION presented and carried.**

**GOVERNMENT BILLS — SECOND READINGS**

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

**HONOURABLE SAM USKIW(Lac du Bonnet):** Mr. Speaker, would you call Bill No. 15, second reading.

**BILL (NO. 15) - AN ACT TO AMEND THE REAL ESTATE BROKERS ACT**

**MR. SPEAKER:** The Honourable Minister of Consumer and Corporate Affairs.

**HONOURABLE RENE TOUPIN(Springfield)** presented **Bill (No. 15), an Act to amend The Real Estate Brokers Act**, for second reading.

**MOTION presented.**

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

**MR. TOUPIN:** Mr. Speaker, this bill makes minor changes in the Real Estate Brokers Act and also contains one section which raises an issue of some importance, namely the question of interest on brokers' trust accounts.

I will start by disposing briefly of the other principle of the bill and then deal in greater detail with the more major part of the bill.

The bill makes several amendments which requires all brokers and sales people and some authorized officials to be bonded. These amendments result from a review of these requirements undertaken by the Securities Commission staff for the purpose of trying to obtain greater uniformity between the bonds used under this Act and those used under the Securities Act. This review reveals some ambiguities and deficiencies in the present Act which these amendments will correct. In particular, some words used seem to suggest that every broker and sales people should file a new bond every year. The practice actually followed is and always has been, that an applicant for registration files a bond which will remain in force until cancelled. If the registrant fails to pay his annual premium, a bonding company cancels the bond and then, of course, if he or she wants to stay registered, he will have to file a new form. This is a far more convenient procedure than filing a new bond every year. words The bill therefore, Mr. Speaker, removes the that suggests that a new bond should be filed at the time of the annual renewal of registrations.

The bill updates the requirement that every offer must be in triplicate. For many years now, other provisions in the Act and regulations have required at least four and in some circumstances, five copies of an offer and it is only sensible to recognize this.

The bill completes a process that was started by last year's amendments, namely the elimination from the Act of the word "sell" to mean negotiate a sale for someone else, so that it will be used to denote only the selling of one's own property.

Another part expands on another section of the Act by stating explicitly the types of undertaking that must be in writing in place of doing it by reference to a clause of the present Act. The reasons for doing this is that it relates exclusively to the contents of an offer to purchase and the undertakings covered are not necessarily given in connection with an offer. Because in its present form it incorporates part of another previous reference, the result is to incorporate it into wording which is not appropriate when applied to an undertaking not related to an offer.

I now turn to another part of the bill. The first two subsections are a by-product of a recent revision of prescribed form of Offer to Purchase which came into operation on the 1st of February, 1977. As is well known, a purchaser of real estate normally pays a deposit at the time the contract is signed. If the sale is completed, the deposit becomes part of the purchase price. If the purchaser defaults, he loses his deposit. If the vendor defaults, the purchaser gets his deposit back. Historically the person to whom the deposit was paid received it in one or another of two capacities, namely stakeholder or agent for the vendor. If he received it as a stakeholder it was then his duty to see that it was properly applied so that if the purchaser became entitled to get his deposit back, he would claim it from the stakeholder. But if the person receiving the deposit did so as agent for the vendor, he had to do with it whatever the vendor told him to do and that would include paying it to the vendor at once and a purchaser claiming his deposit back would have to try to get it from the vendor.

Obviously, Mr. Speaker, it is much fairer to the purchaser for the deposit to be held by a stakeholder. The prescribed form of Offer to Purchase has always stated that the broker will hold the deposit in trust and has then gone on to impose on him duties which were actually duties imposed to him by the shareholder. . When the form was revised, it was first proposed to substitute "as a stakeholder" for "in trust" but for reason which I will explain shortly, this idea was abandoned and the new form continues to use the words "in trust." This, Mr. Speaker, explains the background to the proposed new sub-section of the Act.

Other sections of the Act are two-fold: to impose the rule that a broker holds the deposit as trustee and not as agent for the vendor in all cases. It must be remembered that the use of the prescribed form of offer is compulsory only in the sale of a single family residence so that there are many sales in which other forms of the offer can be used. Secondly, to make it clear that a broker holding a deposit in trust has the same responsibilities in respect to it as the stakeholder. The proposed sub-section sets out an exemption to another section specifying the circumstances in which a broker may hold a deposit as agent for one party to the sale. Since most people are unfamiliar with the implication of such an arrangement, this exemption is carefully guarded to ensure that the other party will have legal advice before agreeing to it. These sub-sections are quite similar to sub-sections that were added to the Real Estate Act of British Columbia in 1971. I will indicate here, Mr. Speaker, that the sub-sections being talked about now in the proposed bill, 26.1(3)(a)(b) and (c) — I am leaving myself completely open for discussion within the committee and to receive advice from other members of the committee and representation if need be, so there is certainly a desire on our part to have sub-sections that will answer the needs of those involved in the industry.

Before turning to the other section, I must explain that there is one important difference between a stakeholder and a trustee; this is that a stakeholder is entitled to keep any interest earned by the deposit while he is holding it whereas a trustee of course cannot keep for himself any interest earned by money he is holding in trust but must pay it over to the beneficiary. The result of writing the words "as a stakeholder" into the prescribed form of offer would have been to entitle the broker to keep any

interest earned by the deposit. I must point out that there is some justification for that rule. If a dispute breaks out between the vendor and the purchaser, the stakeholder finds himself in the middle of a quarrel with both parties claiming it from him and can incur significant legal expenses in extraditing himself from this position. The interest compensates him for this risk. However, the Winnipeg Real Estate Board which represents a very substantial number of our brokers, felt that it was undesirable for a broker to be entitled to receive interest on money that he was holding for others unless those others had specifically agreed to it. This is why the prescribed form of offer continues to say that the deposit shall be held in trust. However, a discussion about this necessarily raised the whole question of interest on brokers' trust accounts.

This question has a number of quite complicated implications. For instance, although a trustee cannot earn interest for himself, he is normally under an obligation to invest trust money or put it on deposit so as to earn interest for his beneficiaries. Therefore, if a broker is to hold a deposit in trust, would that mean that the vendor or the purchaser could insist that he put the money in an interest-bearing account and hand over the interest? There is also the problem that under the Trustees Act any trustee has the statutory power to invest any trust money into a trustee investment such as a bond. We certainly do not want brokers investing deposits in this way unless everyone concerned has agreed to it.

There is, Mr. Speaker, another sub-section which is an attempt to resolve the problems I have just explained. However, if all or most of the trust fund is in practise held in non-interest bearing accounts, the chief beneficiaries would seem to be banks, credit unions, trust companies, where the accounts are kept. The same problem arose in the case of the lawyers' trust account a few years ago. However, there are two basic differences. The first is that the amount of interest involved is probably much smaller here, and the second is the possibility that banks and/or credit unions may shortly be required to calculate interest on a daily basis. If that change should come about, it will become much easier to credit interest to individual clients and this would make it feasible for brokers to use interest bearing accounts and accounts to their clients for the interest. This matter, Mr. Speaker, is presently under discussion between the Securities Commission and the Winnipeg Real Estate/ Board and I expect to be able to introduce possibly after discussion with other members of the House, some amendments to sub-section (3) when the Bill is in committee.

I would, therefore, Mr. Speaker, leaving aside subsection (3) commend this Bill to the House.

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

**MR. WILSON:** Mr. Speaker, thank you. I beg to move, seconded by the Member for Riel, that this debate be adjourned.

**MOTION presented and carried.**

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

**MR. USKIW:** Mr. Speaker, I believe it is the understanding of the House that we would go into committee, that is two committees: agriculture and education. I move, Mr. Speaker, seconded by the Honourable Minister of Corrections, that Mr. Speaker now leave the Chair, and that the House resolve itself into Committee of Supply to consider of the Supply to be granted to Her Majesty.

**MOTION presented and carried,** and the House resolved itself into a Committee of Supply, with the Honourable Member for Logan in the Chair.

## **COMMITTEE OF SUPPLY**

### **ESTIMATES — EDUCATION**

**MR. CHAIRMAN, Mr. William Jenkins (Logan):** . . . 20 of their Estimates Book. Resolution 50(a) School Grants and Other Assistance — \$167,795,300. The Honourable Minister of Education.

**MR. TURNBULL :** Mr. Chairman, the other day in discussing this appropriation there was some desire on the part of members to receive about a additional information particular community school, and the school mentioned was the William Whyte community school. I want to tell members that this community evaluation was considered in June 1975. A proposal to recognize the school as a community school was presented to the Board of Trustees of the Winnipeg School Division and it was accepted by them. This is the kind of project that the department has had under way, and I think it would be enlightening for some members if I did describe some of the characteristics of this community school for the benefit of the members here today.

The community committee school had an evaluation committee struck in February 1976. The objectives of the evaluation committee were really two-fold: first of all there was a desire to document and evaluate the general orientation and goals of the school and then to assess the degree to which the actual operation of the school is consistent with these goals; and secondly, there was a desire to assess the degree of satisfaction expressed by the principal, teachers, community members, students, aides, etc.

The process of evaluation of the William Whyte community school was prepared by an evaluation committee. As usual in this kind of operation that the department has been involved in, Mr. Chairman,

great efforts were made to involve people in the local area. This evaluation committee consisted of four principals, two consultants from the Department of Education, two community aides and two parents. The following criteria for a community school were compiled by the evaluation committee. Meaningful and substantial involvement of community members and staff members in all aspects of the education system; educational development for all members of the community including non-parents; school involvement in community development; all aspects of school environment to reflect and be consistent with community milieu; educational use of community resources for the children enrolled in the school. The interesting thing about this community school evaluation and operation of the community school was that it was found that the school programs were consistent with the goals of the community school and there has been a substantial interchange between the community and the school by both mutual involvement in programs and through the opportunities these provide for discussion and debate on various issues. I can go on, Mr. Chairman, but I think that really deals with the points being made at the time we closed off discussion of the Estimates of the Department of Education on Friday at 4:30. I know members opposite will have many other questions on other topics so I won't elaborate any further on this particular one unless there are of course further questions about it.

This information I have given, Mr. Chairman, was for the purposes of satisfying the needs of some members who felt that this item should be discussed here under Resolution 50-3.

**MR. CHAIRMAN:** Resolution 50(a). The Honourable Member for Brandon West.

**MR. EDWARD McGILL:** Mr. Chairman, at 4:30 on Friday when we adjourned, I had mentioned the description which the Minister had given to another member of the House who wanted to know what the procedure was in connection with applications from school divisions for construction or increasing the accommodation in their buildings in their divisions, and the Minister appeared to be in a hurry to reach another appointment at that time and I am not sure that he got the point that was being made, that we had earlier on in the debates requested precisely the information which the Minister felt at that time couldn't be given under this section. However, in a later time in the debate, the information was given without any concern for whether or not it was appropriate to this section 3, that is on Capital Construction. So, I appreciated getting that information which was given and I have a question or two which relates to that general area which I hope the Minister will be able to deal with.

In the matter of building construction and in the applications for authority to proceed in these areas from divisions, it appears that there has been virtually little action been taken in the last months or in the last year. I wonder, Mr. Chairman, if the Minister could tell us how many letters of intent are presently on file as a backlog with the Department of Education in respect to permission to proceed with the building of complete new schools or with major alterations to present school buildings. From the apparent lack of activity in this general area, it would seem that probably the Minister has accumulated a number of such applications and perhaps he could tell us just what the nature of the backlog is at this time.

**MR. TURNBULL:** Mr. Chairman, I was trying to follow the Member for Brandon West's rather general remarks about information not given at one time and given at another time. I assume he was saying that I did give some information about the procedure of the Public Schools Finance Board to the Member for River Heights. I guess from the look on the face of the Member for Brandon West that that's what he was referring to.

Earlier I had tried to steer the committee clear of getting involved in discussion of capital items which I gather is what the Member for Brandon West is now asking me about. He wants to know how many applications are on file or in the office of the Public Schools Finance Board from divisions for construction of new schools or new renovations. This is not the appropriate place, but I can certainly get him that information. He wants the numbers of Letters of Intent that the Public Schools Finance Board has on hand; these Letters of Intent to cover Letters of Intent for new school construction and major additions, those two things. Well we can certainly provide that to the member.

**MR. CHAIRMAN:** The Honourable Member for Brandon West.

**MR. McGILL:** Perhaps, Mr. Chairman, the Minister could tell us then . . . this information will be available at a later date, but he might be able to tell us immediately who the members are of the Building Projects Committee, who are the members of the committee that deals with the applications that come in from school divisions? I believe that there were two fairly recent appointments to that committee. There may have been some retirements or some changes in the make-up of the committee itself. If he could tell us who the current members are and perhaps give us some idea of the qualifications and experience of the two most recent appointments to that Building Projects Committee.

**MR. CHAIRMAN:** The Honourable Minister of Education.

**MR. TURNBULL:** Mr. Chairman, as I say, it's really the operation of the Public Schools Finance Board and its committees that the member is talking about and that information I certainly can get for him. He wants information for the Conservative Party's dossier on staff and appointments and we will

get that for him and provide it to him.

**MR. MCGILL:** Well, Mr. Chairman, I thought that the names of the members of the present committee might have been something that the Minister would have immediately available; but apparently that is not the case. I simply asked him for a list of the names of the Projects Committee and I guess we will wait for that until other information is obtained.

In September of 1976, Mr. Chairman, there was a position bulletined by the department. I believe it was called "Capital Facilities Co-ordinator." That position was advertised in September. It was described as a position where the holder would be responsible to the Chairman of the Public Schools Finance Board for co-ordinating departments support to the Public Schools Finance Board for capital support. I wonder if the Minister could tell the committee then, is this a new position? Is this something that has not previously existed, that of capital facilities co-ordinator, or is this the same position that was formerly filled by the Director of Field Services as a part-time activity? What I'm trying to find out from the Minister, Mr. Chairman, is are we looking at a completely new area of activity and new terms of reference or are we looking at the function that was formerly performed in a minor way or at least in a part-time way by the Director of Field Services? And as the committee knows, his major responsibilities were in the instructional field and not in the field of capital school finance.

Perhaps, Mr. Chairman, when the Minister is dealing with that question he could tell us who the successful candidate was in this competition for the position of Capital Facilities Co-ordinator.

**MR. TURNBULL:** Mr. Chairman, I have tried to indicate to the Member for Brandon West that a lot of these questions he is asking are rather detailed and the money for them — the various functions that he is talking about — I don't believe is contained in this appropriation, for a lot of people that are involved here and certainly not for the capital involved.

The idea of the Capital Facilities Co-ordinator was bulletined sometime ago, I think before I became the Minister, and I think there was a board held, and the appointment of the individual I believe was caught in the freeze on the hiring of staff that was imposed by Cabinet. So the whole thing was just arrested.

However, there does seem to be a need for that kind of a function. I believe it to be a relatively new function and we will likely be reactivating consideration of that position.

I was just checking with staff, Mr. Chairman, to make sure that the money for these functions is not in this vote, and I am sure that it is not in this vote. Now as in all other items we can discuss anything and I'm quite happy to discuss it, but solely for maintaining some order these questions would be better asked and answered I gather, on Capital Supply Bill rather than here.

.. Anyway I have some names of the Building Projects Committee. I do not know the qualifications of many of these people which the member asked for. I believe there's an A. Stevens recently assigned to this task. He's a past superintendent of Portage la Prairie school division. There's a Mr. Szakacs who I believe was a teacher; and a Mr. Gzan, there's Mr. St. Lawrence who I do know is the architect there; there is a Mr. Grey he is in the finance section 'of the department — I would have to dig up his background for the Conservative Party's dossier; and a Mr. Ben Epp, again his qualifications I will have to get listed along with everybody else here and provide to the Member for Brandon West.

My only point, Sir, is that the money for these people is not contained in this vote and you can entertain the discussion if you wish. Perhaps that's all the questions the member had and we can just go on to the next series of questions he does have.

**MR. MCGILL:** Well, Mr. Chairman, on the point that the Minister makes about whether or not this discussion is appropriate here, it was simply that we were on it once, we moved away from it and then we got back to it, so it seems to me that since we are pretty well complete now in terms of filing the questions and there will be some responses I think the Minister will want to make.

I would just like to comment on his most recent explanation about the Capital Facilities Co-ordinator. He said he "believed" this was a new position. So I take it that it is not the function that was described a moment ago as being part of the work of the Field Service Director, and was taken on in addition to his other duties. Is he now saying this is a full-time position that will be filled by a new addition to his staff?

**MR. TURNBULL:** Mr. Chairman, I want the member to have all the information possible. I will undertake to get that information in written form and I will read it to him for the record. Perhaps we could move on to other items now.

**MR. CHAIRMAN:** Resolution 50 (a), the Honourable Member for La Verendrye.

**MR. BOB BANMAN:** Thank you, Mr. Chairman. I'd just like to very briefly ask the Minister several questions with regard to any programs or any studies that the department has done to providing for more mobility of students from one school division to another. I mentioned earlier on in the examination of these particular Estimates, problems which are arising in my area with regard to one school division having a substantial more number of students coming to it than it is reciprocating to another school division. Now I'm wondering if part of the increase of the transportation grants — and

I refer to the statement which he made on Thursday, March 10th where he said, The grants have increased from \$11,400,000 to \$13 million, an approximate 1.5 million increase. Is this increase in transportation allotment just the increase in costs of running this particular system that we have now, or is that part of the amount that he will be allocating to people who wish to, for different reasons, move from one division to another without creating too much hardship on those people?

**MR. CHAIRMAN:** The Honourable Minister of Education.

**MR. TURNBULL:** Mr. Chairman, the amount of money that the member refers to is money paid out on a flat basis. It's paid on the basis of the number of transportable pupils.

**MR. BANMAN:** I wonder if the First Minister could inform the House whether there is any move afoot to provide for more mobility. . . the Minister of Education, I'm sorry. I should have maybe said the Member for Osborne.

I wonder if he could tell the House if they are going to be providing for increased mobility from one school division to another.

**MR. TURNBULL:** Mr. Chairman, if I understand the member, he's asking, are these grants designed to increase mobility from one division to another? They are designed to give the divisions additional money to cover the costs of operating their school bus system, and what use they put to that money I think in many cases is up to them providing they meet the various guidelines that the department has.

**MR. CHAIRMAN:** Resolution 50(a)—pass. The Honourable Member for La Verendrye.

**MR. BANMAN:** Thank you, Mr. Chairman. I get back to the first question that I asked and it has to do with the problems that we are facing right now where that one school division is receiving more people coming into it than it is reciprocating out to other school divisions, and I refer specifically to Hanover and Seine River right now. I think there's a net difference of about 75 pupils and these people are coming in from the other school divisions. Is there any move afoot by the government, any studies that they are doing to provide for more mobility for students from one school division to another?

**MR. TURNBULL:** Mr. Chairman, I'm advised by staff that there is no studies with that purpose being undertaken.

**MR. BANMAN:** I wonder if I could then ask the Minister, under the existing legislation and under the policy of the Department of Education that people then when they do send their children from one school division to another, if the divisions can't work out an amiable solution then they will be forced to pay for the student to the division where they are sending it to without having any access to any other funds.

**MR. TURNBULL:** The grant is paid to the divisions, once not twice. There is an area here that the Member for La Verendrye is touching upon that perhaps needs some examination, and although I've said there is not now any study under way, I think that he raises a point that certainly can be looked at. If he has been reading the newspapers recently he has likely noted allusions to just that kind of possibility with regard to divisions in areas outside of his own constituency.

There is a problem here insofar as divisions can't get together and work out their problem of getting children in adjoining divisions the education that is required and needed by those children. And wherever there is a problem between divisions where they can't settle their problems, I would think that I guess the department has to become involved in one way or another to try to get the divisions together and try to work out amicable solutions.

**MR. CHAIRMAN:** Resolution 50(a), the Honourable Member for Brandon West.

**MR. MCGILL:** Mr. Chairman, I wanted to return just briefly to the discussion which we had earlier and at some length on the real effects of the announcements of the Minister in the House two days after his Estimates were brought up for consideration in this committee of additional support in the way of authorized teacher grants which would come about as a result of a reduced pupil-teacher ratio in the elementary system of 23 to 1. And in view of the level of expectations that were considerably raised by the general announcements and the subsequent realization that the practical effects of this announcement were not as great as that which was originally anticipated, I wonder about the feeling of the Minister himself in respect to what will really happen in the classroom as a result of this change in the pupil-teacher ratio and the teacher grants. Perhaps we could get at this by examining the number of teachers employed in Manitoba during the 1976-77 period for which there were no authorized teacher grants.

In other words, does the Minister have a figure for the school system of the number of teachers in the system above the authorized grant structure, those that are not covered by the total number of grants offered?

**MR. CHAIRMAN:** The Honourable Minister of Education.

**MR. TURNBULL:** Mr. Chairman, I suppose that we can get the exact figure, I don't know. If the member wants to proceed on the basis of the exact figure I think he and I understand the point that he is going to be driving at. Anyone who understands educational finance knows that a reduction from one and 28 to one and 23 without any other changes is going to mean more than \$2 million which is what my letter and I believe the news releases did say.

If we take all the teachers involved — not just the regular classroom teachers but everybody — there were in 1976, 11,985 teachers employed. There were 9,928 teachers who were authorized. That meant there were 2,027 unauthorized teachers taking into account all of them. It is for that reason, of course, that the letter that I sent to the division does outline what the impact of the change may be. I just want to repeat it here if I can find it in my letter that went out to all chairmen of the boards and senior divisional administrators. The letter says, "It is expected that the additional authorizations will cover the cost of teachers now over grant in many divisions." There are some other remarks made thereto as well which I have already read into the record. And that certainly can occur and there is no question that in some cases some divisions will decide to apply the additional authorizations that they have in precisely that way. They will just take the authorization and apply it against whatever over grant teachers they are employing.

However, let us not overlook that many divisions may not want to operate that way. Many divisions may want to maintain the same ratio of unauthorized to authorized teachers as they now have, and will in fact, hire additional teachers over and above what the new formula at one and 23 will provide to them.

Let us not overlook also, Mr. Chairman, that there are other factors to consider here. The reduction of one to 23 is a reduction that I believe recognizes the importance of elementary education. It is, as was indicated last year, something that the department can do by way of setting the tone in education. That is what is being done here. We are, of course, pumping in an additional \$2 million at a conservative estimate for the change in the ratio. But the ratio sets the tone, it gives direction, it recognizes the importance of elementary education and it establishes equity as between a teacher at the elementary and a teacher at the secondary level; all of which I believe to be important in setting the tone.

The other thing to keep in mind is that there is always a possibility of doing something here which is totally impractical and the reduction of the ratio from one and 28 to one and 23 at one fell swoop would have been impractical because in no way could the Faculty of Education or the Faculties of Education in the rest of the country have provided the number of graduate teachers that would have been needed to meet all the additional authorizations that would have been approved if the ratio had been dropped from one and 28 to one and 23. I mean the system — the system of producing teachers, the classroom space available, etc., could not simply have coped with it. So the change that was made was one that recognized what I have indicated, the importance of elementary education, equity as between teachers at the two levels, and does so in such a way as to give direction to divisions within our provincial educational system. It is a practical solution to a longstanding problem.

**MR. CHAIRMAN:** The Honourable Member for Brandon West.

**MR. MCGILL:** Well, Mr. Chairman, the Minister says that this change recognizes the importance of elementary education. But, in practical terms, since there are 8 by his figures, about 2,000 teachers now above the authorized grant level and his new appropriation would give, by his estimation, 280 additional grants for teachers. That really isn't going to make any very important change in the ability, in practical terms, of the divisions to reduce the classroom count.

Now, I understand and the Minister has explained that he didn't intend this to be an announcement that simply and suddenly created a new classroom count, lower than the present ones, but the manner in which the announcements were made, it seems to me, created that expectation amongst many of the parents of school children in the system and there will be, I expect, a pressure on the divisions to say, "Well, the Minister said we were reducing from 28 to one to 23 to one and this isn't happening in Johnny's room so what's the problem?" I think there could have been a better way to place this additional support to the public and to the divisions than by simply saying we are now recognizing the importance of elementary education, because I don't think, in practical terms, there is going to be any real change in the teacher and pupil classroom counts. I think the Minister has admitted that he doesn't really believe that there will be any substantial change in the province in respect to that classroom situation. If he hasn't said that then perhaps he might like to comment on it, the fact that — well, the Minister is about to comment on it.

**MR. CHAIRMAN:** The Honourable Minister of Education.

**MR. TURNBULL:** Mr. Chairman, I have indicated several times in the House that what the divisions do with the additional authorized teacher grants that they will receive is their decision. It is their decision what the size of the classes will be. Some classes are 15, some classes are 35, that has always been the case. When I was teaching in Flin Flon the first class I had was 38 pupils. The ratio established by the Conservative Government of the day for secondary schools was one and 28. That has always been the case.

The announcement that was made, I think was very clear. One cannot say anything — if you are going from one and 28 to one and 23, those are the figures — and the members opposite can say whatever they want. How you can say one and 23 is not one and 23 is beyond me. The elementary ratio for purposes of giving grants is now one and 23. It used to be one and 28, it is now one and 23. That means an additional number of authorized teachers. That does not mean that the divisions will

use all the grants just to cover unauthorized teachers. That may not be the case, they may decide and it is their discretion to do so, to maintain the ratio of unauthorized to authorized teachers. That is their discretion and I expect some divisions will do just that. They will look upon these additional grants as a means for them to hire additional teachers and to reduce the size of their classes. Some divisions want to do that, some divisions will do that. I certainly would want to encourage them to do that because I think class sizes are too large.

The letter that I sent out, I should perhaps read again for the record: "The Foundation Program for 1975 will provide for an increase of over 280 in the authorized number of teachers. The increase in authorizations will be determined through a change in the teacher-pupil ratio and in the calculation for determining the authorized number of principals, supervisors, guidance counsellors and other such staff. The ratio for both elementary and secondary teacher grant authorizations in 1977 will be one and 23. The adjustment in the ratio will mean not only additional salary grants for the number of increased authorizations but also the block grant of 2,180 for each additional authorization. The result of this change will mean over two million for salaries and for maintenance administration and supplies. As in the past, additional salary grant allowances will be provided for principals, vice-principals, guidance counsellors and other administrative and instructional personnel. The maximum number of allowances will be slightly larger than in 1976. These allowances will be determined on a pupil enrolment basis rather than on the basis of ten percent of the number of authorized teachers. The schedule and formula for calculating the maximum number of additional allowances is enclosed herewith."

I can go on reading the letter, Mr. Chairman, the letter which was made available to every member of the press who was attending the press conference that I had when I announced this change in the ratio from one and 28 to one and 23. Every member of the press had this letter in front of them. I assume that every member of the press had access to it and could get a copy if they wanted. What they wish to report and what they have reported is a matter of their responsibility and not mine.

But the ratio has been changed and the leadership that the department is giving is that in elementary schools the ratio should be one and 23, that is clear, just the same as it is in the secondary level. What the divisions do is their responsibility. Some, as I say, will use these grants to maintain the same ratio of over grant teachers to teachers on grant, others presumably, will not do it, as I recognized in my letter and which I have read several times now. As far as the department is concerned, as far as I am concerned, the ratio of one and 23 is the ratio that would be desirable.

I might point out to the Member for Brandon West, before he makes too much of this issue as I gather he would like to, that already the Teachers Society is suggesting that the ratio be reduced even further. I think their ratio is one and 20. There will be demands, of course, as there have always been demands, for a reduction in the ratio. But it is very clear, Sir, that one and 28 is not the same as one and 23. And to say one and 23 means, you know, one and 23; it can mean nothing else. The Member for Brandon West can take that in any way he wants and try to twist one and 23 into whatever it is that he wants to say it is, but it is still one and 23. That is what the department recognizes. That is the way in which the department is going to pay grants to school divisions for elementary schools. That is the change that we have made. It is clear, it is leadership and if the Member for Brandon West finds objection to it then that is his right and prerogative but the leadership is quite clear and the figures are quite clear.

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

**MR. CRAIK:** Mr. Chairman, on this same topic and the Member for Brandon West will have more questions he will want to ask on it. I want to get something clarified here. The Minister says, rather snidely, that the Member for Brandon West will make out of it what he wants to make out of it. Well, I suggest that the Minister has wrung the most out of this that he could from his own political point of view.

Mr. Chairman, first of all, we had Estimates tabled on a Tuesday that said that Education Estimates were amongst the other Estimates of the Provincial Government, are going to be up in total by some 7.5 percent and the proportion that goes to education on that is an increase of approximately \$7 million.

Three days later — and the government takes the most it can out of that by blazened holding the line press release: "Government holds the line at 7.52 percent increase in spending." Three days later we find that the Education Estimates given to us, on which that is based, are not accurate. In fact, there is added to it another near \$20 million, that these Estimates here are out by, approximately \$18 million, a close to two percent difference, which indicates that the total increase in the Provincial Budget is not 7.5 percent but is closer to 9.5 percent.

Well, Mr. Chairman, talking about getting out of it what you want to get out of it, we had in that three day period — the government upped its estimates of spending by an amount which is the equivalent of close to two percent of the total Provincial Budget.

Mr. Chairman, on the heels of that we have another press release by the government saying that

the ratio is going to be changed from one and 28 to one and 23 for elementary. Another well intended to bring credit to the government announcement that they are, all of a sudden, going to solve the basic problem of too large a size of classroom. So we get another headline and it seems that there is two or three days period of grace and then we start getting the facts of life. We start getting the truth and the truth of the matter is that what has happened is that the administration grants are pulled out at the back door as the the same time one and 23 ratio goes in the front door. So it takes two or three days to digest it and after you calculate it you find out that the difference is not a bit substantive.

So let me look at a typical school division, Mr. Chairman, and ask if this is not correct. In a typical school division we have elementary students numbering 2,800, secondary students number 1,000. By the old formula there would be 100 elementary teachers, grants covering them — 28 into 2,800 gives roughly 100 — the secondary 1,000, with 23; resource teachers grant 8, et cetera 2, superintendent 1, for a total basic number covered by grant of 155. But there was a one and ten formula that gave to the division an additional ten percent teacher count for their purposes. You add ten percent times 155 which gives you 15, 16 teachers; you add it together you get a total of 171. That is under the old system. Total number of teachers authorized and covered by grants, to that division 171 that are covered accordingly by grants.

Under the new system, we've got one and 23, you take the same number, add the elementary and secondary together, it comes out to 3,800 divided by 23, we get a total of 165 plus, say 166 count; we still get 8 resource teachers, 2 et cetera, 1 superintendent, the total count comes to 177 but there are no additional one and ten count for administration. The total now comes to 177 compared to the old at 171. In other words, Mr. Chairman, the division is almost the same place as it was before this announcement. It in no way increased the ratio of elementary students by anything like the ratio of 28 over 23. It is not even near. As a matter of fact, Mr. Chairman, if you go through some of the other divisions you will find stories that are much more glaring in terms of the lack of any change that has been brought about by this announcement.

Mr. Chairman, I take exception to the Minister of Education saying that the Member for Brandon West, or any other member, will take and do what he wants to with the numbers, that's up to him. I take exception to the government attempting to milk all the political juice it can out of an announcement one day, finding out two days later that it is not accurate at all. Then we get a second announcement on the heels of it that is supposedly going to bring about a long-sought change by the school divisions and the teachers, by changing the ratio from one and 28 to one and 23, only to find out that the administration grants have been pulled out and, as a result, the net change is going to be very very minor in terms of the number of teachers covered by the provincial grants. Mr. Chairman, if there's anything happening here it's gilding of the lily by the government. First of all in announcing a 7.5 percent increase in budget which — it goes up in two or three days. Secondly, coming out gilding the lily again by stating that

this ratio is going to markedly increase the situation in the elementary schools. And then finally now, today, having the Minister say, "but that is our goal; that is what we want to see in the classroom." Well, who doesn't want to say a one and 23 or one and 20 count in the classroom? Who doesn't? That's not the question. The question is, that's to be pointed at this government, is that how can you stand up and announce a program that is as important to the school division as this — going from one in 28 to one in 23 and then find, in fact, pulling out the administration grant so that it turns out to be nothing of the kind.

**MR. TURNBULL:** Mr. Chairman, the speech by the Member for Riel is one that I must respond to by saying that the per pupil authorization now in 1977 — the teacher authorizations, I'm sorry, the authorized number of teachers this year under the new scheme is 10,280. The projected enrolment and, as the member knows, he was the Minister of Education, he knows the enrolments vary — the per pupil enrolments are 216,000. On the basis then of enrolment and the authorized number of teachers under the grants' formula we are proposing, the ratio is 21 to 1.

**MR. CRAIK:** Mr. Chairman, I wonder if the Minister could attempt to answer the questions that were raised. Now he has raised a new one. The number of teachers authorized in the province are 10,000 odd. I ask him, does that include the old 10 percent provision for additional authorized teachers? And what is the estimated total count under the new scheme where the additional authorized teacher grants are being withdrawn?

**MR. TURNBULL:** Mr. Chairman, the figure I just gave is the total number of authorized teachers, period. That's the question that he asked and that's the answer.

**MR. CRAIK:** Mr. Chairman, I ask the Minister then to answer the question: does the one in ten grant for additional authorized teachers get included in his figure?

**MR. TURNBULL:** Mr. Chairman, I don't know if the Member for Riel was here when we discussed this the other day. I don't think he was frankly, and I don't raise that as any criticism, I know that he and other members can't always be here all the time. But we did discuss this issue and I was attempting to point out to him then that if you reduce the ratio to 1 in 23, there was need to continue a capping and the ten percent figure, of course, is a capping figure, that's what it is. It says in effect to

divisions: we will pay ten percent of the authorized number of teacher grants for administrative personnel. That's the intention of that. What we've done is change from that capping to a capping based on a per pupil enrolment so that the number of grants that we will pay for these personnel mentioned in my letter will be based on the per pupil basis and the letter that went to all the chairmen of boards and was distributed to the media and went to all senior administrative personnel in the divisions said, "As in the past, additional salary grant allowances will be provided for principals, vice-principals, guidance counsellors and other administrative instructional personnel. The maximum number of allowances will be slightly larger than in 1976. These allowances will . . ." — I wish the Member for Riel would listen to this, I'm sorry that he has to converse with his leader and the Member for Morris but — ". . . these allowances will be determined on a pupil enrolment basis rather than on the basis of ten percent of the number of authorized teachers."

Now, when the Member for Riel was — you know, I don't know whether he heard that debate or not and I did read out at the time, a couple of days ago, the salary grants that are paid to administrative people, those remain the same. The amount of money paid for a principal, a vice-principal, etc. remains the same. What we've done instead is say, instead of ten percent, we'll put it on a per pupil basis. That's perfectly straight-forward.

**MR. CRAIK:** Well I think we're probably getting to the answer, Mr. Chairman. The Minister is saying in effect then that the ten percent added before were classroom teachers. The ten percent additional authorized teachers before were in his mind considered to be classroom teachers.

**MR. TURNBULL:** Well I said that the ten percent was a cap, a cap on the number of administrative grants that the department would pay for. The ten percent figure was based on the number of authorized teachers, it was ten percent of the number of authorized teachers and if there were 100 authorized teacher grants based on the old ratio of 1 to 28, 1 to 23, it came out to 100, then there would be ten grants for administrative personnel. Those grants were paid on the basis of the person with the highest qualifications, that's what we paid it on. I think that was the case when he was Minister of Education and we paid it on that basis. What we've done now is instead of saying ten percent of 100 to give us ten administrative grants, we're saying that with — well, I don't know, if we take a hypothetical figure of a number of pupils, and we're saying there's so-many pupils, whatever it is — 2,000 pupils — take the number of pupils and we're saying, if the division has so many pupils then within a particular range of pupils, we will pay a grant for administrative personnel. Now that's what we're doing so we're just really moving from one type of capping to another and certainly I never believed nor did I convey the impression that the ten percent figure was the number of authorized teachers. Quite the reverse. The ten percent was based — let me put it a different way — the base for the ten percent was the number of authorized teacher grants. That's the way it used to be. It's now on a per pupil basis. It's a little simpler by the way, it's a little simpler calculation now than it used to be.

**MR. CRAIK:** Well, Mr. Chairman, with the withdrawal of the administration grants then, that resulted from taking the ten percent, it all boils down to then looking at the amount of number of dollars that are going to go to a school division and when you look at that, whether you look at it in terms of numbers of teachers upon which the dollars are based or numbers of dollars based on some other formula, it's what comes out on the bottom line that counts and if some divisions under this new calculation are in fact either going to get no increase at all or may get a reduction or will get a very small — like in this particular case I quote, "they get the equivalent of a factor times 171 under the older factor, the same factor times 177 in the new" — which brings you out to roughly the same position. Now if in their discretion they decide to reduce the number of students per classroom, per teacher, at their discretion, there will be some benefit but they'll only be able to do that if, in fact, they can take it out of their administrative costs and that's what it boils down to.

**MR. TURNBULL:** Mr. Chairman, I don't think that the school divisions are going to operate that way. The other point I think the Member for Riel should keep in mind is that the reduction in the pupil-teacher ratio recognizing as it did an outstanding problem of many years standing, is only one line in a \$23 million package. It is approximately \$2 million of the \$23 million. The divisions are getting, if you want to look at the bottom line and I think it's important that we do that, if you look at the bottom line, we have gone through the whole grants package, you see that these divisions are coming up with a good deal more money. These divisions are coming up with a good deal more money, most of them, than was the case before. Now the Member for Riel likely saw figures like this before, you know. There's the Foundation Program. Under it, salaries are \$80 million; maintenance, administration supply \$22 million; transportation \$13 million; capital, buses \$2.4 million; debt servicing \$25 million; other \$7.5 million; print and non-print, etc., all the way down; vocational pupil \$3.2 million; per pupil \$27 million and so it goes. Then we get to the next page which is Other Grants and the main thing there is the equalization grant at \$18 million and it's through the equalization grant and the per pupil grant in particular the transportation grant that many of these divisions, when you look at the bottom line, are going to find that they are in a much better position now than they were before this package was introduced.

**MR. CRAIK:** A final question, Mr. Chairman. Does the Minister confirm that there will be

supplementary estimates presented to cover something in the order of \$18 million?

**MR. TURNBULL:** Mr. Chairman, there will be supplementary estimates presented to cover approximately \$7 million. I gave those figures in the House the other day, too.

**MR. CHAIRMAN:** Resolution 50(a). The Honourable Member for Brandon West.

**MR. McGILL:** Mr. Chairman, we've had quite a good discussion about the effects inferred and practical of the additional support for the divisions through the Department of Education's increased appropriations. The Minister has said that this is recognizing the importance of elementary education. Now he is an experienced teacher and he knows what the classroom counts can be even though the teacher grants are calculated on a theoretical optimum 23 to 1 basis. Perhaps it would clear the air and make it more understandable for the committee and for the public if the Minister would say, you know, in his practical experience and in view of the responses and the calculations that have been made on the effects of the additional grants, does he really believe that there will be any substantial alteration in the elementary classroom counts? Now, I know he's going to get up and say, that's for the divisions to decide, that he has provided a formula and it recognizes the importance of elementary education. But we don't think that there is going to be any real practical substantial change. Now if the Minister has an alternative view, then he should state it and we would like to know from him in a simple and direct way, whether there will be in his estimation a substantial change in the elementary classroom count as a result of this latest announcement and additional support.

**MR. TURNBULL:** Mr. Chairman, I would expect that the divisional personnel administering school divisions will follow the direction pointed by the Department of Education.

**MR. CHAIRMAN:** Resolution 50(a). The Honourable Member for Brandon West.

**MR. McGILL:** Mr. Chairman, I accept that the Minister doesn't wish to say: yes, he does believe there will or no, he doesn't. He is simply making a generalized statement which is in keeping with the original statements so I have no alternative but to accept that.

I was intending to go to a slightly different topic and if the Member for Fort Garry intended to pursue the question of pupil-teacher ratios, I would defer to him, however, if not, I will continue and ask a question which relates to the kind of support we get through the Fiscal Arrangements Act and it's partly a post-secondary educational grant but it applies to the public school system and the Department of Education because it affects Grade 12 students. I am interested in finding out and I am sure the committee would like to know, how much money has been received or is receivable for Grade 12 students in both the public and in private schools in Manitoba, that is, how much money is receivable in respect to those students in Grade 12, public schools and private schools in Manitoba from the Federal Government as post-secondary grants? I think, Mr. Chairman, the Minister understands the area of the question and I know it relates to the Fiscal Arrangements Act and the support from the Federal Government relating to post-secondary but since we do provide Grade 12 in the secondary school system in Manitoba, some of this money applies there and perhaps the Minister can tell us how much he's getting and how the money is used and distributed.

**MR. TURNBULL:** Mr. Chairman, there will be exceedingly great difficulty in getting that figure because apparently, for various administrative accounting problems at the Federal Government, they are two years behind in paying us. So there is that problem, however, on somebody else's Estimates, either the Estimates of the Department of Continuing Education and Manpower or those of Finance, the Ministry at that time could likely provide the information but we don't have it and apparently it will be difficult to get for the reasons I have just mentioned.

**MR. McGILL:** Well, the precise amount then is not obtainable for this current year. You have it for one or two years in the past. Can you give me some indication of how the money is distributed in terms of the public schools and the private schools and the Grade 12 students that are presumably going to be the recipients of the benefits that occur from this support for post-secondary education?

**MR. TURNBULL:** Mr. Chairman, it is my understanding that every, well not every but virtually every amount of money that comes from the Federal Government or indeed from various sources goes into the consolidated revenue of the Province of Manitoba and then it is, you know, from there it finds its way into my budget for the Department of Education and into the grant supports program. There is no sort of ear-marking of the money as it goes through and this is one such process of accounting. Money comes from the Federal Government on a global basis, goes into consolidated revenues and out of that pot comes the money for the various programs outlined here. That's the way it's done.

**MR. McGILL:** Well, Mr. Chairman, how would the Minister ensure that Grade 12 pupils in private school system, for instance, would receive what would be a reasonable and equitable share of this support? If he says the money is coming from the Federal Government, going into general revenues and eventually into the programs of the Department of Education, how does he ensure, and I am sure he would wish to ensure that private schools would get their fair share based upon their pupil count in grade 12 as compared with the public school system?

**MR. CHAIRMAN:** The Honourable Minister of Education.

**MR. TURNBULL:** Mr. Chairman, the answer to that question is not one that I can easily provide.

Maybe the Member for Riel has just given the Member for Brandon West the answer there in that piece of paper. But, you know, it's like saying, how do we make sure that every working woman in the province gets an equal share of the revenue raised by sales tax? How do you do that? That is not something that can be easily answered. But I don't have, as I say, a ready answer for that particular question.

**MR. CHAIRMAN:** The Honourable Member for Brandon West.

**MR. MCGILL:** I think the analogy, Mr. Chairman, that the Minister uses is not quite apt in this case of sales tax allocations. Here is a grant that is based upon grade 12 students in the system and, presumably, the Federal Government wants to provide some of the cost of their education. My question simply was, how does the Minister who accepts those grants and is responsible to assure, presumably, that the money goes for the purposes that it was intended or does he have any concern about the percentage allocation between his own education system and those that are being put through that stage of their education by a private system?

**MR. TURNBULL:** Mr. Chairman, the Member for Brandon West raises a valid issue for concern by my Ministry and certainly, you know, I will be directing the department to see what assurance it has had over the past that the money is distributed in an equitable way to the people that the Member for Brandon West is talking about. The point, though, you know, is rapidly becoming an academic one. I don't know whether the Member for Brandon West knows this or not, he presumably doesn't, but for 1977-78, which is the fiscal year for which these estimates are covering, there will be no federal support as the agreement ends on March 31, 1977, it ends at the end of this month. So I can get him the information that he wants, but it apparently will have no relevance for the future, but that's fine, I will take staff time to find him an answer for his question.

**MR. MCGILL:** Mr. Chairman, is the Minister suggesting that because the present Act terminates at the end of this month, that there will be no further support for post-secondary education from the Federal Government?

**MR. TURNBULL:** Mr. Chairman, that is the implication of the answer that I gave. I have indicated, and I think the First Minister and others have indicated that the Federal Government is withdrawing support for all kinds of programs. Now the precise nature of those negotiations I am not a party to, but that is the advice that I have at the moment, as I stated to him earlier.

**MR. CHAIRMAN:** The Honourable Member for Fort Garry.

**MR. SHERMAN:** Thank you, Mr. Chairman, I have a couple of questions I'd like to ask the Minister. I recognize that it's pretty close to adjournment hour for the Committee and we may not be able to get very far into them until eight o'clock but one thing I wanted to ask the Minister was relevant to an answer that he was giving some twenty minutes or half an hour ago at some length to the Member for Brandon West. He may have covered the ground but I was interrupted by a conversation at the time and I wanted to ask him about the schedule of teacher grants with respect to teachers and demands and needs of students precisely in the area of music, art, home economics, industrial arts, that field to which the Manitoba Association of School Trustees has referred from time to time in their submissions. The Minister is well aware that the MAST has strenuously proposed that it, —(Interjection)— the MAST the Manitoba Association of School Trustees, yes, has proposed quite strenuously that in their view that inadequacies in the foundation program have made it impossible for schools to meet the needs and demands of students and parents and the community in those areas of instruction — music, art, industrial arts, that sort of thing, and I wanted to ask him whether any change was under way or contemplated in the grant schedule and program that would permit a wider number of teachers in those categories to be accepted on a grant authorization basis?

**MR. CHAIRMAN:** The Honourable Minister of Education.

**MR. TURNBULL:** Mr. Chairman, this question really strikes at the core of our decentralized structure of education. I have been following the policy that has been evolved over the last 50 years or so in Manitoba. That policy is one which has encouraged local divisions to maintain autonomy and has been a policy which enables divisions to make decisions on their own hook, so to speak. What he is suggesting is that there be various categorical grants set aside I assume, for these purposes of hiring musicians and whatnot and that — I don't want to evade the question — but it is a matter I really will have to take under consideration because the thrust of the question today has been to the effect that, even though the Department of Education has shown leadership and direction with the reduction of the teacher-pupil ratio, that indeed divisions will not follow that leadership. If that proves to be the case, then, of course, the total review of the educational grant system will have to be undertaken with, perhaps, a move away from the per pupil grant and the grants that are given to divisions to use the money whichever way they want and towards these categorical grants that the Member for Fort Garry seems to be implying are necessary.

**MR. CHAIRMAN:** Order please. The hour being 4:30 in accordance with our Rule 19(2) of our House Rules, I am interrupting the proceedings of the Committee for Private Members's Hour and shall return to the Chair at 8 p.m. this evening.

## ESTIMATES - AGRICULTURE

**MR. CHAIRMAN, Mr. D. James Walding(st. Vital):** Order, please. Order, please. We have a quorum, gentlemen, the committee will come to order. I direct the attention of honourable members to Page 7 in their Estimates Book, Resolution 14 Marketing (b) Manitoba Marketing Board: (1) Salaries. The Honourable Member for Gladstone.

**MR. JAMES R. FERGUSON:** Thank you, Mr. Chairman. I have a couple of questions I'd like to ask the Minister and the first would be how many producers were registered under the Manitoba Milk Producers Marketing Board, and the Manitoba Beef Producers Income Assurance Plan?

**MR. CHAIRMAN:** The Honourable Minister.

**HONOURABLE SAMUEL USKIW(Lac du Bonnet):** Well in the Income Assurance Plan it's roughly 6,400 and roughly 1,700 to the Milk Producers Marketing Board.

**MR. FERGUSON:** How many ballots were mailed to these individuals, to do with the Marketing Beef Board?

**MR. USKIW:** I have no idea.

**MR. FERGUSON:** Well then could the Minister tell me how many ballots were returned because of ineligibility.

**MR. USKIW:** Well there were a number of registrations that were denied because of that question. Now, I don't know how many. We could get that information from the Returning Offices though, it's no problem.

**MR. FERGUSON:** The Minister is saying that we can find out how many ballots were mailed out to each one of these individual groups and we can find what the ineligibility return on them was, can we?

**MR. USKIW:** Well, first of all, the procedure is that you determine eligibility before you mail the ballot so the Returning Officer had to go through all of the registrations in order to make that determination. Whatever names were struck off were struck off at that time, after which the ballots are mailed out and those are all supposed to be eligible voters. The question really should be how many names were struck off the registration list.

**MR. FERGUSON:** That's the one I was coming to.

**MR. USKIW:** That I can get. I have no idea.

**MR. FERGUSON:** I would appreciate if the Minister would give me that. Could I ask when the . . .

**MR. USKIW:** Mr. Chairman, I might interject here. I believe out of all of the registrations, there were something in the order of 400 that were denied, out of the total. And that's a rough estimate. That could vary fifty one way or the other.

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

**MR. FERGUSON:** Then the Minister will supply us with the information as . . .

**MR. USKIW:** We can get the precise data, if you wish.

**MR. FERGUSON:** Okay, I'd appreciate that. The next question I'd ask is when is the count started on the ballots?

**MR. USKIW:** It should start on the 17th — Well, I'm not sure if the count itself will start on the 17th because there is a procedure that will take some time. Physically it's just impossible to count that many in a short period so they have to go through the registrations first. That is each envelope has to be checked against the registered list, after which the outside envelope is thrown away and the ballot is dropped into a box. So it may take three days or maybe even more, before that is all done. But it will start on the 17th, I believe.

**MR. FERGUSON:** And the announcement is to be made on the 18th, or just whenever the count is completed.

**MR. USKIW:** Whenever it's complete.

**MR. FERGUSON:** Okay, thank you, Mr. Chairman.

**MR. CHAIRMAN:** The Honourable Member for Birtle-Russell.

**MR. HARRY E. GRAHAM:** Mr. Chairman, when is the deadline for receiving the ballots?

**MR. USKIW:** There is no deadline on receiving the ballots. There was a deadline on the postmark which was to be the 11th, which was last Friday.

**MR. GRAHAM:** At midnight, was it?

**MR. USKIW:** Postmarked on the 11th, yes.

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

**MR. HARRY J. ENNS:** Mr. Chairman, before we leave the item of marketing on the Minister's Estimates, I want to make another general observation with respect to that favourite subject of marketing boards, and ask whether the Minister has either available at his fingertips the information that I request, or at least to serve as notice on the Minister that he might avail himself of this information.

Not having that specific information in front of me, it is nonetheless my belief that, in general terms, if we were to check at the time of the equation of any of our marketing board agencies, or most

of them, in any event, that we would find that there were X number of producers involved as could be substantiated by the first registration of a vote, for instance. It has been established now, to some extent, how many people are eligible or active in the beef industry, for instance. Similarly, years ago it was established, for instance, that we had some 600 registered people that were growing potatoes at the time of the first potato vote — ten, fifteen years ago.

If you follow the historic pattern that marketing boards seem to take, that within relatively short order you have a pretty drastic and serious decline in the numbers of producers participating in that particular commodity group; that the production of the commodity is essentially fallen into the hands of a fairly small, efficient no doubt, large producers. I'm told that the figure, for instance, for potato production, if we take that route that I just suggested back to the years '62 or '63 when we first had a vote among potato producers, we had some six, seven hundred, in that area, people actively engaged in the production of potatoes in the province; whereas it's my information now that there are some forty registered potato growers under the Manitoba Vegetable Marketing Board. I recognize that in that number, of course, there may well be additional producers who by contract sales are selling outside of the board. I also appreciate the fact that one would have to be careful to examine, you know to make it fair, those potato growers four acres and under aren't necessarily registered with the board right now.

But in general, the terms that I make is that I am not at all convinced, Mr. Chairman, that certainly one of the very basic concepts and goals of marketing boards, which is to ensure the protection of the little producer, protection of the little guy, that they are in fact functioning that way.

I think that if we examine marketing boards, not just in this jurisdiction but across the country, if we look at what has happened under the marketing legislation in Ontario, when we look at what marketing legislation has done to the tobacco industry in Ontario and other places, that that general statement seems to bear up. And in the case of cattle, it would be a very serious situation if the similar pattern were to take place; namely that because of the bureaucracy required, because of the red tape required, because of the regulations that marketing boards impose on producers of that commodity that comes under their jurisdiction, in many instances the small producer simply shrugs his shoulders and gives up. Certainly that seems to have been the case, whether it involves broilers, whether it involves the dairy industry, whether it involves the vegetable industry. I suggest, Mr. Chairman, that that's one aspect of agriculture that the Minister and the government should express some concern about; particularly this government, Mr. Chairman, that likes to hold itself up as a champion of the causes of the little man and of the little producer. I fail to see, in most instances, where the marketing boards managed to maintain the position of the small producer.

The Minister will respond, no doubt, by saying that marketing boards cannot in themselves revert some of the trends that happened in agriculture in any event. In the case of the vegetable industry, a lot of the land where the small producer was on has been taken over for other development, urban, industrial, commercial development. This simple outflow of small producers of any agricultural commodity from time to time that has continued over the past number of years certainly accounts for a good portion of this reduction. But I fail to see where the marketing boards that we have set up have in any meaningful way really enhanced the position, and kept the small producer within the commodity that he was once known to be successfully, or at least to his own measure of success, involved in and producing it.

**MR. CHAIRMAN:** The Honourable Minister.

**MR. USKIW:** Well, Mr. Chairman, the Member for Lakeside made that statement last week and he repeats it again today. I am not going to suggest to him at all that there's any measure of truth to what he is suggesting. That his analysis, in fact, is quite wrong; that without stabilization the bankruptcy of commodity groups has been more pronounced than with orderly marketing systems that have been developed right across Canada.

Now, it's true new entries are not always allowed under an organized marketing system so that that may be a factor but, if you look at the egg producers we had something like in excess of 10 thousand, perhaps 15 thousand, egg producers in this province not too long ago. But when we voted for the egg producers marketing board, there were only 350 left without a marketing board. We went from over 10 or 15 thousand down to 350 with hens of 500 in number and more without a marketing board. Okay, so that 350 are still there. But up until that time it was a steady diminution of the industry. So really the logic does not hold. In fact the opposite would be argued quite properly.

With respect to potato production I think the Member for Lakeside is using a very poor example, because there you had within that count — and I believe it was somewhat less than what the member suggests — but within that count were many people who were not producers *per se* other than on a hobby basis, most of those numbers were workers in Winnipeg or Selkirk, or wherever, but who happened to have a fairly large garden. But they were called producers for the purposes of the vote and so on.

Then again, today we have about 140 which are registered under the board arrangement. But there are numbers of producers that are not subject to board control and that we don't have a figure

on, and that's those under four acres. I don't know whether it should be 200 or 300 today, or 400, I don't know. But it really is not a good example to argue the case that the Potato Marketing Board hasn't stabilized the industry. In fact the contrary is true.

Now, to the extent that the large producer who is operating under the board, with respect to potatoes as an example, to the extent that that agency provides a price umbrella, the one that is not registered benefits from it as well, in that to whatever level the market is improved, it is improved for everyone even though the smaller ones do not have to make a contribution towards that particular arrangement and the cost of it. No, I would completely dispute that analysis, Mr. Chairman.

**MR. CHAIRMAN:** Resolution 14, the Honourable Member for Rock Lake.

**MR. HENRY J. EINARSON:** Mr. Chairman, we have discussed the beef industry to a considerable length and now my colleague from Lakeside has been giving some discussion as to our marketing boards covering pretty well all agricultural commodities. I think that some of his comments have been very well justified and I would like to follow up under what is happening in the dairy industry in the past year.

I would like to ask the Minister — and I am fully aware that there is federal jurisdiction as well as provincial jurisdiction insofar as our producers of milk and cream are concerned — I would like to ask him because of the serious problems in the past year that dairymen have faced, can he inform the committee as to how many farmers went out of the business of producing cream and how many have either reduced or gone out of the business of producing milk in 1976.

**MR. CHAIRMAN:** The Honourable Minister.

**MR. USKIW:** Well, Mr. Chairman, we don't have a marketing board that is in charge of cream marketing in Manitoba so I can't really respond to that particular question. That has to do with federal subsidies, and if the Member for Rock Lake is making the point that some people are unhappy with the amount of federal subsidy and therefore have gone out of business, and the allocation of federal quota with subsidy, that's a different aspect than the question of marketing. It has nothing to do with marketing, it has to do more with the level of public support to an industry by way of subsidization — and cream subsidies now have been with us for a long long time — and the level of subsidy has really determined the level of production, so it has nothing whatever to do with marketing boards *per se*.

**MR. EINARSON:** Mr. Chairman, then maybe we should be discussing this matter further down through the Manitoba Marketing Board in regards to our whole dairy industry?

**MR. USKIW:** No, you can discuss . . .

**MR. EINARSON:** Well then, Mr. Chairman, I realize the Minister of Agriculture signed an agreement with the Federal Minister after Bill C176 received Royal Assent in the House of Commons. The Minister of Agriculture saw fit to sign an agreement with the Federal Government and in this way locks himself in to a kind of policy that has helped create some of the difficulties that farmers have been faced with in the past year. I should like to say to the Minister that in the case of cream — and this is under the marketing system — where farmers had fulfilled their quotas, say by the end of October and one particular creamery in the Province of Manitoba by the end of November 25 percent of his customers fulfilled their quotas, and so the question was asked, if he was to deliver a can of cream in the first week after his quota was filled, what would he receive for his cream? The total price was \$1.04 and the creamery manager indicated, we'll give you a cheque for four cents a pound for your butterfat and they ask, where does the other dollar go to? The other dollar would go to — and the Minister can correct me if I'm wrong — to the Federal Government for the Canadian Dairy Commission. That is what was happening to those cream producers. And as a result of it, Mr. Chairman, this particular creamery in the month of September 1976 produced 20,000 pounds of butter, in the same month a year earlier produced 47,000 pounds of butter. The crunch of this whole thing is, under a marketing system, and I want to relate this, Mr. Chairman, because the Minister of Agriculture in Manitoba fully agrees with marketing and supply management with the Minister of Agriculture in Ottawa. So that's why I tie this in. The gentleman who was running this creamery indicated to me — and this to me was the crunch — while farmers producing cream in Manitoba were cut off because they'd fulfilled their quotas this creamery had to import 50,000 pounds of butter outside the Province of Manitoba in order to fulfill his customers. To me, Mr. Chairman, this is a sad commentary. The Minister talks about — in his introductory remarks — about a province and a country that has an abundance in food and we can't provide for those in countries that don't have it.

**MR. USKIW:** Well, Mr. Chairman, the Member for Rock Lake is somewhat confused as to what pieces of legislation these arrangements fall under.

First of all, C176 has nothing to do with the dairy industry whatever. Nothing at all. I'd like to remind the Member for Rock Lake that the Canadian Dairy Commission was set up long before C176, which has to do with poultry products, not dairy products.

The arrangement in the Market Share Agreements between the provinces and the Government of Canada, the Canadian Dairy Commission, is merely one of transferring some measure of input by provincial marketing agencies in the allocation of quotas within the province which, up till that agreement was signed and since 1967, was administered by the Canadian Dairy Commission, in

which case the provinces knew not of what was happening with their own cream producers, whether they had quotas filled, unfilled or whether quotas were to be transferred out of the province. So in essence, because of the lack of such an agreement Manitoba lost quotas to Quebec, for example, or to other provinces in Canada without knowing that they were losing those quotas. It was after the fact when we found out that we had lost those quota rights. The loss was at the rate of a million pounds of butterfat a year under that arrangement where there was no federal-provincial agreement. So the Market Share Agreement was signed by provinces in order to know and allocate quotas in advance so as to not allow them to slip away inter-provincially if there was a demand for quotas within the provinces, pursuant to that agreement within the limits of the quotas in the agreement. So we were much more protected through the agreement than we would have been had we not had that agreement. But it has nothing to do with Bill C176.

**MR. EINARSON:** Mr. Chairman just for a point of information then, Bill C176 was legislation that was complementary to allow the provinces to negotiate with the Federal Government. Am I correct on that point?

**MR. USKIW:** For eggs and poultry, yes.

**MR. EINARSON:** Only on eggs and poultry?

**MR. USKIW:** It had nothing to do with milk.

**MR. EINARSON:** All right. Then you still have your agreement with the Canadian Dairy Commission insofar as your dairy products are concerned.

**MR. USKIW:** That is correct.

**MR. EINARSON:** Right, and this is one area in which farmers were contacting me asking me what could be done about it. The point I say, Mr. Chairman, is I related those problems to the Minister and if my memory serves me correctly, the Minister replied to me personally, that he felt that there were problems but they would be looked into by next April 1 which is coming up very soon. I indicated to the Minister I felt that that was too late, there would be farmers who would be out of business by that time and that's what has happened. The reason I posed the first two questions was to find out what repercussions of all this legislation has had on farmers in that particular production.

Getting into the milk production, Mr. Chairman, I would like to ask the Minister a question, then, insofar as farmers producing Class A milk and Class B milk. I'm given to understand that a truck will go to one farmer and pick up Class A milk; he'll go to the next farmer and pick up milk that is Class B and this farmer receives approximately — and I don't have the exact figure in front of me — \$2.00 per hundred less. I would like to ask the Minister if the milk is all lumped together, how does he justify the position for one farmer to get Class A and one Class B if it goes into the same tank when the truck is there to pick it up.

**MR. USKIW:** Well first of all, Mr. Chairman, I would like to tell the Member for Rock Lake that he knows, perhaps, more than most people, that the creamery business has been a defunct business in this province and in this country for a long, long time. And as a matter of fact the conversion rate to industrial milk has been such that most creameries went out of business in Manitoba, to date. Prior to any changes in dairy policy of recent years. In fact during the term of their office, over eleven years, most of the creameries went out of business in this province. So it has nothing to do with this particular arrangement at this particular time. But rather the historical fact that producers found it more rewarding to convert into milk production as opposed to the shipping of cream. And so creamery after creamery closed up over the last thirty years. And that process has slowed down quite a bit in the last decade. Very few have closed up in the last decade. Most of them closed up prior to the last decade but nevertheless some of them are continuing to operate and others are on the verge of closing down, for the same reason. So this is not a phenomena related to marketing boards; it's a phenomena related to value for production and wherein there is more rewards to the producer to ship milk than there is in the shipment of cream.

Now, in terms of the Canadian Dairy Commission's quota allocation last fall and the application of it in Manitoba, cream quotas were wide open as of last fall, so that they are not forced to wait until April next to determine whether or not they have a cream quota or not. There were opened up last fall again. They were closed off for a very short period of time during the time that there was evidence that there was going to be a fairly substantial over-production, after which levies would be imposed which would be confiscatory in nature, and would not pay anyone to ship, but once that point was passed and it was realized that there was additional room in the market for more cream production, they were completely opened up. And I can't remember the month - September or October, I'm not sure when. So that it's really nothing to do with the dairy policy to be announced for April of next year, which is a new dairy year, but these quotas were relaxed last year.

With respect to the difference in value of Grade A and B milk, it has only to do with the difference in standards. Grade B milk is not required to be up to as high a standard as does Grade A milk and therefore there is a price difference. It's also worthy to mention that, as of September of 1977, the intent is that there will be no Grade B milk. It will all be A. The last two years were a transitional period which would see the conversion of all remaining B shippers into A shippers, and hopefully by

September that will occur in which case there will be no problem, such as mentioned by the Member for Rock Lake. So that's part of the incentive to upgrade one's facilities to become an A shipper.

**MR. EINARSON:** Mr. Chairman, I posed a question to the Minister, insofar as the farmer producing A class milk and the farmer producing B class milk, it's picked up by the same truck, it all goes into the same vat, when it reaches the plant to process cheese, the one farmer gets roughly \$2.00 a hundred less than the farmer producing A class milk. What happens to that \$2.00 a hundred? Where does it go?

**MR. USKIW:** Well, first of all, if, as I understand it, if the truck in question delivers to an industrial plant then there is no necessity to segregate the A and B milk. If that particular truck has to deliver to a fluid plant then, of course, that truck cannot mix the two. Now, it's conceivable that a truck delivering to an industrial plant could pick up A and B milk. It goes into the same tank and there's no problem. But where he has to deliver it to a fluid plant, it does cause a problem, so therefore there's an extra pick-up or another truck that has to come in.

**MR. EINARSON:** Well, Mr. Chairman, I fully understand the difference between fluid milk and industrial milk. I mean, after all, this is what the Minister got into a real hassle with a few years ago. The producers who produced fluid milk for thirty years had a certain standard of rules and they were prepared to provide the consuming public with fluid milk. And the industrial producers were under a different set of rules. And there was an entirely different picture. And I can understand that if farmer A produces milk for the fluid producers and farmer B produces milk for the industrial plant, there's a difference and it has to be segregated. But the question I'm still asking is that these two farmers who produce milk for the industrial plant, there's \$2.00 difference in price even if it goes into the same vat and they make cheese out of it, or whatever have you. I'm still wondering, where does that \$2.00 go, because farmer A is getting X dollars, farmer B is getting \$2.00 less and it all goes together. Somebody's making something somewhere along the line and I'd like to know where it is.

**MR. USKIW:** Well again, Mr. Chairman, the member is skirting around in the bushes here. The milk prices are based on the quality of milk and if you're shipping quality A there is one price, if you're shipping quality B you get a lower price. And rightly so. Regardless of where that milk goes as long as it doesn't go into a fluid milk plant, it doesn't really matter where it goes. But there is an incentive to upgrade the shipper into an A class shipper. If that occurs, and it likely will, it will reduce the total cost of the operation since we will not have to worry about sending additional trucks to pick up B milk on routes where the truck is shipping into a fluid milk plant.

Secondly, it's really hardly worth debating because 98 percent of the milk that's shipped is A milk and we've got 2 percent more to go to make it 100 percent. I believe when the milk was all pooled, two years ago, we had about 92 or 3 percent that was being shipped A and the balance was B. And we now have 98 percent being shipped as A and only 2 percent as B. So there's very little milk left that isn't A. And by September, hopefully, there will be none.

**MR. EINARSON:** Well, Mr. Chairman, I wonder if the Minister could tell the committee then, if there's 98 percent class A milk, how many hundredweight of milk is the 2 percent and what are we talking about in dollars here, because the Minister still hasn't answered my question.

**MR. USKIW:** Mr. Chairman, there's about 500 million pounds of milk shipped; so 2 percent would be about 10 million pounds. 10 million out of 500 million, per year, is still Class B. It's hardly worth the time of our committee.

**MR. EINARSON:** I haven't calculated this out but, you know, I don't agree with the Minister when he said it's hardly worth the time of the committee. It could be a small item but nevertheless if we find many other small items, you aggregate the thing and it could amount to considerable. And I'm speaking about what is fair to the farmers that are involved in this business. That's what I'm concerned about. And what is done here.

**MR. USKIW:** What is unfair about the current arrangement?

**MR. EINARSON:** Well I'm trying to say, Mr. Chairman, that if farmer A is selling A class milk and farmer B is selling B class milk, and there's \$2.00 difference in price, it all goes into the same vat from the two farmers that are producing cheese . . . let us say for argument, and one farmer is getting \$2.00 more than the other, is that fair, Mr. Chairman? I think it's in the whole operation of the dairy policy.

**MR. USKIW:** Mr. Chairman, the Member for Rock Lake would have me believe that farmer B, perhaps, should get the premium, the way he is speaking, for producing a substandard product. That's what he is really saying.

**MR. EINARSON:** Mr. Chairman, how can the Minister indicate that the farmer B is producing a substandard product when his milk goes into the same vat as the farmer A. So he is not responsible for the product that is being produced when we talk about cheese. No, the board or somebody is getting the benefit of that \$2.00 a hundred pounds.

**MR. USKIW:** Mr. Chairman, the fact is that the farmer who is still producing a substandard quality of milk is defined as such by inspection and does not qualify to ship A class milk for consumption in

the bottle trade. So his product must go to an industrial plant. The board does not have the option of shipping his milk to a bottle plant or to an industrial plant. It must ship that milk to an industrial plant because of its substandard nature. So it does create problems for the board when they have to make that special provision for a very small group on a given truck route. Now if the truck route is such that the whole truck-load goes to an industrial plant, that's a matter of plant allocation. But it doesn't detract from the fact that the B producer is causing administrative difficulties, generally speaking, for the board. And of course the prices are pooled. Everyone gets the same price in the A pool and the B pool.

**MR. EINARSON:** Well, Mr. Chairman, I can see we're not getting anywhere. I just make a particular point and the Minister is skirting around the point that I'm trying to make and so I'll dwell on another point a little further on and ask the Minister is there an increase in the price of dairy products that are produced, other than the whole milk, coming up in the near future.

**MR. USKIW:** Well, Mr. Chairman, the Member for Rock Lake raises the question of price changes other than for fresh milk and I want to remind him that that is something that the producer-marketing board has to decide upon. They make frequent price changes —(Interjection)— Yes, that's right. My Deputy reminds me that it has a lot to do with federal dairy commission policy on levies and quotas and so on. But in essence that's an area of responsibility of the producer board. So really I'm not here to answer for their decision. That is their decision affecting their industry.

**MR. EINARSON:** Mr. Chairman, does the milk producers board not advise the Minister, from time to time?

**MR. USKIW:** Oh yes, Mr. Chairman, very frequently. But that is not something that is a matter for presentation to the Legislature. They run their own board, their own agency, the way they feel they must and as long as they don't violate the regulations under which they function then they are not obligated to go beyond that point of merely passing information on to the Minister from time to time on his or her request. It's not something that we have control over on a day-to-day basis.

**MR. EINARSON:** Is the Minister then telling me that there is no increase in industrial milk contemplated in the near future?

**MR. USKIW:** Oh, I wouldn't say that at all, Mr. Chairman. That is something for the board to decide and the board doesn't ask the Minister for permission to make that decision.

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

**MR. DAVID BLAKE:** Thank you, Mr. Chairman. I just wanted to make one or two remarks which were prompted by the remarks of the Minister wherein he said the creamery business was a depleted business or a dead business. And I can't really agree with him there because I have a creamery in my particular area that's alive and thriving extremely well and provides employment for 10 or 12 men that earn a pretty darn good living. The creameries that closed throughout the years, in the rural areas, the Minister is hinting that possibly it was the fault of the previous administration. I think it's a fact of life that when these little production units cease to be economically viable they just close down or there is a concentration into the rural areas or the growth centers. My concern is that in my particular area, as the Minister is well aware, the cream producers faced extreme problems last summer with quotas. There were many of them that had reached their quota quite early in the year and they did this with milk cows that were purchased with some government assistance to get into the diversification program and this was all well and good. But when these people are forced to sell the animals that they purchased at a fairly high price because there was nothing that they could do with their product, it doesn't really augur too well for the stay option that the Minister is so loud to proclaim, when it suits him. But there are many, many people in my particular area that are quite content to milk, 5, 6, 7, 8, 10 cows and ship cream. They don't want to become fluid milk producers. They're quite content to ship cream. They're good industrial farm people that maybe don't want to curl all winter or go south for the winter months, and they're dedicated to the farm and they operate a real mixed-farm unit where the milking, in a great many cases, is done by hand. This produces a reasonably good income for that particular household and I maintain that that particular creamery in my area is a very, very important feature to our rural economy. I just can't see it being closed down and I think everything to encourage operations like that to remain alive and viable just have to be made. I'm not aware of how many producers have gone out of the cream business on account of the quotas last summer. I know after we made representations to the board, and to the Minister, that there was some relaxation because there had been new quotas given to producers in that area, of 1,000 pounds or upwards, and these people were never going to ship a pound of cream. At that particular time the manager of the creamery would have been able to shuffle the quotas around and keep everyone on his production route completely happy. But he wasn't allowed to do that with some bureaucratic regulation. I think some real hard consideration has to be given to who gets a new cream quota, and what quotas are taken away.

The Minister mentioned that very shortly there would only be A class milk, there would be no B class milk and I would like him to tell me what provisions would be made for a shipment of milk that fell into the B category, that is if the herd got into some stink-weed, or something like that, early in the

year and contaminated that particular shipment of milk. Will there be no place for that milk to go or will it still go to an industrial plant, at a different price?

**MR. USKIW:** Mr. Chairman, that last point is something that the board would have to take up but the board decision, and they gave notice of this two years ago, was that they would not accept Class B milk after September of 1977.

**MR. BLAKE:** Under no conditions?

**MR. USKIW:** Well they didn't say that. They said that they would want to graduate everyone into a Class A shipper and that they gave a two-year notice so that those who were B shippers could upgrade their facilities in order to be reclassified by September of 1977. So, assuming they are going to be on target, the only remaining question would be whether there would be special provision for a temporary problem and that is something the board will have to make a decision on.

For the benefit of members who are terribly excited about the quota reduction for 1976 production in the industrial milk field, it might be interesting for you to know that despite the cutback in quotas that our production was 249 million pounds in 1975 and 247 in 1976. So it is really a very marginal cutback that was achieved in 1976, it is insignificant actually.

**MR. BLAKE:** Mr. Chairman, I just wondered, in view of my remarks on the particular industry in our area that is important to the economy of our one large town in the area, Minnedosa,—they make an excellent quality of butter there and the awards that they have won over the years at the Royal Fair in Toronto and various other shows where they have shown their butter product, the number of red ribbons that they have accumulated over the years attests to the quality of their product. Could the Minister confirm to this committee that, as far as he is aware, there is no motive or no idea of closing off the cream quotas to cause plants of this nature to cease operations?

**MR. USKIW:** No, Mr. Chairman, the Canadian Dairy Commission's policy is well known to producers across Canada and there is no intent to, as I understand their policy, to close down creameries. But one has to reflect upon what has been happening since 1941 at least, that I have statistics on — in 1941 Manitoba produced 31 million pounds of creamery butter; in 1961 it was down to 25 million; in 1969 it was down to 17 million; 15 million in 1970; 13 in 1971; 13 in 1972; 12 in 1973; 10 in 1974; and 10 in 1975. So, you know, I don't know whether the members in the opposition want to fully appreciate those statistics but that has been the history of the cream industry in this province for three decades. It was a history of declining production of butter through cream shipments as opposed to through shipments of industrial milk to butter powder plants. There has been a major shift take place in the way in which farmers ship their dairy products in a thirty year period.

**MR. BLAKE:** I thank the Minister for his answer but I wonder if he might have the figures at his fingertips also of how much the consumption of margarine went up during those same years.

**MR. USKIW:** I am afraid I do not have that.

**MR. BLAKE:** It is a fact of life that margarine is becoming very very popular and butter is becoming less popular.

**MR. USKIW:** Mr. Chairman, these figures do not relate to the question of consumption. They relate to the fact that we have had less and less cream shippers each year, that is what they relate to. We have had more milk shipped to industrial plants as opposed to cream.

**MR. BLAKE:** I would suggest that that follows because it is a much neater operation to ship industrial milk than it is to ship cream. There is no question about that at all. Certainly the small producer was at a disadvantage under the dairy policy so he naturally went out of business or went into milk shipment. Thank you very much, Mr. Chairman.

**MR. USKIW:** Mr. Chairman, I think the Member for Minnedosa would appreciate another figure and that gives him the full picture of what took place. In 1961 we had 551,000 pounds of cheese produced in Manitoba; in 1969 we had 3.2 million; in 1975 we produced 10 million pounds of cheese. So, you know, when you talk about a shift away from creameries, that's your picture, Mr. Chairman. The farmers have chosen the area which rewards them best.

**MR. BLAKE:** . . . free enterprisers.

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

**MR. HENDERSON:** Mr. Chairman, I would like to talk about dairy quotas and how they are transferred now. Last fall I was talking to a person who was trying to sell his farm which was equipped as a very modern dairy and had very nice facilities. The person who wanted to buy it wanted to be able to get the dairy quota with it, or the milk quota whichever you want to call it, and he couldn't be guaranteed that he would get the quota if he bought the farm so, as a result of that, this man couldn't sell his farm.

I am just wondering, what is the policy there. Could he not have bought that land and got the quota with it? I mean bought that operation that is set up.

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

**MR. USKIW:** The milk quota or the transfer of it has to be approved by the board, so that a person has to receive approval before one would want to make that kind of investment. In other words, it is to do away with the quota values attaching themselves — well hopefully so — to control the values of

quotas in the transfer process. If a quota automatically went with a herd or facilities, then we would still have the problem of high capital costs relating to the quotas and since the quotas are given away free whenever they are available, by the board, it makes no sense to allow anyone to capitalize on those quotas. So the board has to give approval on the transfer. One cannot just sell quotas as one may have thought they could have some years ago.

**MR. HENDERSON:** By the same token, if a man was selling an operation which was set up as a dairy, and he was selling it to someone who wanted to go into the dairy business, he wouldn't buy it if he didn't know he could get a quota and there is no way of knowing that he could get a quota before he became the owner of this property. As a result of this, this person lost his sale. Here is where your quota interfered with a sale. If they could have assured him, it wouldn't have upped the amount, he would have just carried on with the same herd and this fellow would have been able to make a sale.

**MR. USKIW:** Well, I am not familiar with the particular circumstances. My understanding is that there is no problem in that kind of a situation.

**MR. HENDERSON:** You are very familiar with the circumstances, you were in his yard talking to him.

**MR. USKIW:** Then I am not sure. I have been in so many yards, Mr. Chairman, I don't know who it is the Member for Pembina is alluding to.

**MR. HENDERSON:** I am referring to a man just west of Souris.

**MR. USKIW:** I know there is a gentleman that — I think I spoke to someone there, yes — and he had indicated to me what he thought was the policy and as I recall it, after my explanation, he was satisfied with the explanation.

**MR. HENDERSON:** He was anything but satisfied.

**MR. USKIW:** Not to my recollection.

**MR. HENDERSON:** He was anything but satisfied with the thing.

**MR. USKIW:** I believe, Mr. Chairman, that the gentleman was completely unaware of the procedures and that was his problem at the time.

**MR. HENDERSON:** Oh no, when he became aware of the fact that his sale couldn't go through because you wouldn't give this other man a quota, he was aware of the problem that he was in. On top of that there had been a quota cutback and then you increased at that time — it was increased to people down the road who had a loan from you people and he never got any quota.

**MR. USKIW:** Well, Mr. Chairman, the Member for Pembina keeps saying you and, you know, the department doesn't do any of that. The Milk Producers Marketing Board is in charge of the quotas, not the Department of Agriculture. So, when he keeps saying you, I want to point out to him that it isn't the department.

**MR. HENDERSON:** I give the Minister credit for — I should be giving him credit for being on top of everything in his department and if something is going on in that department which isn't right, I am sure that either one way or another it is brought to your attention before very long. In this case you did have a talk with that particular individual and he couldn't go through with his sale because he couldn't transfer his quota to the fellow who wanted to buy it.

**MR. USKIW:** Mr. Chairman, the only thing that the regulations suggest is that quotas are not a saleable item. If the individual wants to sell quota rights, he would be in violation of the regulation. That is the only provision which protects the public interest.

**A MEMBER:** What protects the individuals?

**MR. HENDERSON:** What was protecting that individual . . .

**MR. CHAIRMAN:** Order please. I would remind the honourable member he should direct his remarks to the Chair and not to another member directly. The Honourable Member for Pembina.

**MR. HENDERSON:** What about that fellow's rights though, about selling his farm and letting this fellow carry on? You are forgetting about him.

**MR. USKIW:** Mr. Chairman, providing a person is not attempting to sell quota, there should be no problem. There have been a number of transactions in the last year where farms have been sold and quotas have been allocated but not by way of the sale of a quota, but by way of approval of the board for the transfer of the quota.

**MR. HENDERSON:** Couldn't the man in this case have got approval from the board that whoever bought that piece of land could have his milk quota?

**MR. USKIW:** Well, Mr. Chairman, that would be the most ridiculous proposition because then what we would have is a situation where a governing body, deriving its authority from the State or from the Crown, would hand someone a value for nothing, which would then be traded in the marketplace at some huge capital gain.

**A MEMBER:** What do you do with a liquor licence in a hotel?

**MR. USKIW:** Well, Mr. Chairman, the Member for Minnedosa says, "What do you do with a liquor licence in a hotel."

**A MEMBER:** A machine agency.

**MR. USKIW:** I recall the debate . . .

**MR. CHAIRMAN:** Order please. The remark was out of order and the subject matter is out of order too.

**MR. USKIW:** Mr. Chairman, quota values or licence values are something that have been debated for some time and the members of the opposition have made a big point about making sure that the cost of milk to the consumer is not unreasonable and therefore we must not impose upon them these huge bureaucratic burdens. Well, to impose a quota value on milk production which has to then be extracted through the consumer price and bottled milk, is a horrendous proposition. Because in essence what you are doing is allowing the selling of a privilege which was given to you by the Crown for nothing, a privilege which doesn't belong to the individual in the first place.

**MR. HENDERSON:** Mr. Chairman, this . . .

**MR. USKIW:** Don't complain about the price of milk and you tell me the airlines do it every day.

**MR. HENDERSON:** Mr. Chairman, this was happening at a time when there was a surplus on the market. He was not getting an extra price on account of the quota. The man who was buying the farm which had the hay sheds and the milk cooler and all the milking machines, was just taking over these things and he wasn't really getting an extra price for his livestock at all. But this man didn't want to buy this property if he didn't think he could get a quota. That was the point. So you were denying him the right to sell his farm because the fellow who was coming in wouldn't know he could get a quota.

**MR. USKIW:** Mr. Chairman, I don't know what happened in that particular situation and whether that farm was sold or wasn't sold. I would tell my friend, the Member for Pembina, that if that situation has not been resolved he should take it up with the Milk Producers Marketing Board. They are the ones who will make that decision.

**MR. HENDERSON:** In this particular case the sale was held up on account of this. That man talked to you, you were in his yard and he did not go ahead with his sale but he did go ahead in Souris and worked as hard as he could for the Conservative people to put you out of power.

**MR. USKIW:** Mr. Chairman, the Member for Pembina may have all the fun he wishes in that regard. The fact is that it is not my intent to dictate to the board on the allocation of quotas. There are regulations that are in effect that govern the operations of the board and as long as they are in compliance with those regulations they have that responsibility and they must carry it out. Now, if there is a complaint, that complaint goes to the Manitoba Marketing Board which is the supervisory agency and it is sorted out. Now, as far as I am concerned, this particular individual or any individual should go through those channels. They should not get a quota allocation by appealing to the Minister of Agriculture because he doesn't hand out quotas.

**MR. HENDERSON:** I suggest that it sounds quite possible the way you say it but, you know, this fellow came up, who was going to buy this dairy, from Ontario and when this all happened he just—he wasn't making several trips and getting this kind of an answer, having to wait for delays. So he didn't become involved in it.

The other question I wanted to ask is in connection with when you upped the quotas. Remember you cut back for awhile and then there was an increase in the quotas. This wasn't across the board, it was just to certain people, is this not right? It wasn't an across the board increase.

**MR. USKIW:** Mr. Chairman, the member should appreciate that at the time of the cutback of the national dairy quota that we took the position in this province that anyone who had made a commitment in the last year, roughly, by way of expansion of facilities or herd size, that they would have to be given special consideration having made that financial commitment to expand. It was on that basis that their quota applications were prioritized.

**MR. CHAIRMAN:** Order please. In accordance with Rule 19(2) I am interrupting the proceedings of the Committee for Private Members' Hour, to return to the Chair at 8:00 o'clock.

#### **PRIVATE MEMBERS' HOUR**

**MR. SPEAKER:** Private Members' Hour Mondays is Private Members' Resolutions. There are two Resolutions in the name of the Honourable Member for Fort Rouge which we'll drop off the paper since they've been stood before.

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#### **RESOLUTION NO. 4**

**MR. SPEAKER:** We go to Resolution 4 by the Honourable Member for Assiniboia. The Honourable Member for St. Matthews had the floor the last time. The honourable member has 15 minutes.

**MR. WALLY JOHANNSON:** Thank you, Mr. Speaker. Mr. Speaker, last time we discussed this resolution the Honourable Member for Fort Garry had finished making several outrageous statements to this House in the process of straddling the fence and taking no position on the resolution.

One of his outrageous statements was that we were killing and crushing senior citizens through the burden of the education tax upon senior citizens and his proposal was that the Progressive Conservative Party would — now I shouldn't say that, Sir — I believe that the Honourable Member for

Fort Garry said that his policy was to eliminate the property tax for senior citizens. Now one never does know precisely what the policy of the Progressive Conservative Party is because — (Interjection)— yes, I don't know if that's rule No. 2 Mr. Speaker, but this has become one of the new Tory rules for debate. The Tory party does not take a position, it takes no position so one . . .

**MR. SPEAKER:** Order please.

**MR. JOHANNSON:** . . . cannot be certain, Mr. Speaker, whether it is actually the policy of the Progressive Conservative Party to eliminate the property tax on senior citizens. We shall presumably receive an unveiling of Tory policy at some time, Mr. Speaker, possibly after the next election.

That statement, Mr. Speaker, made by the Honourable Member for Fort Garry is clearly ridiculous because when one looks at the education tax paid by senior citizens, after the property tax credits have been deducted, we find that most senior citizens do not pay education taxes because the property tax credit and the cost of living tax credit in effect eliminates that tax. In fact, Mr. Speaker, I have been doing Income Tax Returns lately for a number of senior citizens and what is happening is that not only are those senior citizens not paying education tax but they're getting a refund from the Province of Manitoba. Mr. Speaker, they are getting a refund from the New Democratic Party Government of Manitoba and, Mr. Speaker, those senior citizens know that, those senior citizens do not swallow the hokum that is being peddled by the Honourable Member for Fort Garry. He assumes that, Mr. Speaker, he must assume that senior citizens are stupid but, Mr. Speaker, the senior citizens in my constituency look at their income tax forms, they find that they are getting rebates and, Mr. Speaker, those rebates speak much more loudly to them than any words spoken by the Honourable Member for Fort Garry.

Another statement made by the honourable member was that administrative costs would eat up the majority of any funds that were directed towards this program and, Mr. Speaker, that is another clearly ridiculous statement because the program is already in place, the administration is in place. If we were to adopt the proposal of the Honourable Member for Assiniboia it would cost virtually nothing additional in administrative costs because the structure is there, it's in place, so there is virtually no additional administrative costs.

Unfortunately, Mr. Speaker, there is an additional program cost of about \$20 million and that is the cost that we must take into account when we're considering the proposal. We're talking about a \$20 million price tag. We're facing a rather strange and peculiar kind of situation, Mr. Speaker. We sit here, the Government of Manitoba and we have a Liberal Opposition Party that is continually proposing programs to us and these programs almost invariably are very expensive programs, Mr. Speaker, very expensive programs. We unfortunately have a rather limited budget. We have been in the exercise of a program of restraint and, Mr. Speaker, as I recall, this program of restraint was not initiated primarily by the Province of Manitoba, it was initiated by the Federal Liberal Government. The Federal Liberal Government asked all provinces to participate in a program of restraint, the provinces have proceeded to co-operate in the administration of the AIB program and the effect of this has been a period of pretty severe restraints in terms of programs.

While we are doing this, at the request of the Federal Provincial government, we have a provincial Liberal Party, with its representatives in the Legislature, proposing innumerable new programs to us, all of which are very expensive. Now this, Mr. Speaker, places upon us forms of a dilemma and it particularly creates difficulties because the estimates for the coming year have already been struck and this creates additional difficulties for us.

Now, not only has the Federal Government asked us to co-operate in a program of restraint, but the Federal Government has also consistently refused, to cost-share our present program of supplementing senior citizens incomes. Mr. Speaker, the Federal Liberal Government has repeatedly refused to cost-share the present program we have of supplementing senior citizens' income. So again, we have a queer situation, the Federal Liberal Government refuses to cost-share the present senior citizens supplementary program we have. At the same time, the provincial Liberal Party is advocating that we add \$20 million in costs to this program. I am frankly, Mr. Speaker, a little puzzled as to what goes on within the Liberal Party? Perhaps the Federal Government doesn't speak to its provincial representatives, I'm not sure.

There is another problem, Mr. Speaker, and I think that the proposal of the honourable member is a move in the wrong direction and let me explain that. The income supplement program is basically a poor people's program, it is based on a needs test or a means test, it is not a universal program. The income of the recipient must be determined before he is allocated any supplementary amount. And my position, Mr. Speaker, would be that we move away as far as possible, as far as is possible from poor people's programs towards universal programs. That is my position as a socialist and I think that is generally the position of our party. We favour the move away from poor people's programs towards universal programs. This program is basically a poor people's program, and we have, Mr. Speaker, made many moves towards universal programs. We have brought in the cost of living tax credit and the property tax credit which are not completely universal programs but at least they're a move in that direction. They are, to some extent, poor people's programs in that they represent a negative form of

income tax, I guess, but they are universally available but, to that extent, I think they are a success.

And what is happening, Mr. Speaker, is that I would say, for example in my constituency, probably most senior citizens, through those two tax credit programs, are getting a credit of over \$300 a year which is some assistance and which certainly doesn't indicate a huge burden of education tax upon the people in my constituency.

The second thing we have done, and one thing of which I am very proud, is our abolition of the Medicare premium. That is universal program; medicare is now universally available to everyone in this province and it is paid for out of the consolidated revenues of the province.

We have brought in a Pharmacare Program which is universal in nature; it doesn't provide complete coverage but it is a universal program. And, Mr. Speaker, it is a program that is of particular benefit to senior citizens because they often have very high drug bills so the effect of the Pharmacare program is to eliminate any impact of severe drug bills upon senior citizens.

We brought in our Pensioner Home Repair Program and Critical Home Repair Program which has repaired over 25,000 houses, many of those the houses of senior citizens. This program is the largest of its kind in the history of this country and it is amazingly, Mr. Speaker, one that is not very well publicized. But it is the largest of its kind and probably the most successful in the history of Canada. We have built, Mr. Speaker, probably 5,000 to 6,000 units of senior citizens' housing; this is not entirely a universal program but it is a move towards it. We have provided nursing home coverage for senior citizens; we've brought in the Home Care program and, Mr. Speaker, I think that we probably have the best programs in this country in respect to consideration of the needs of senior citizens. While we have been doing this, Mr. Speaker, the Federal Government has been in the process of not only not cost-sharing some of these programs but actually withdrawing from cost-sharing. The Federal Government is becoming far more conservative, far more reactionary than it was even during the days I think of MacKenzie King. So we have an attack on federalism occurring in Ottawa brought about by the federal Liberal government while the provincial Liberal Party is encouraging the Provincial Government to spend a great deal more money. Mr. Speaker, the Province of Manitoba does not go along with this kind of attack on federalism; we stand for federalism; we stand for universal programs that extend across the width, the breadth of this country.

So, Mr. Speaker, in conclusion I am going to move, seconded by the Honourable Member for Emerson' that proposed Resolution No. 4, Mr. Patrick, be amended by striking out every word after the first word "whereas" and by inserting the following:

"The Federal Government has the primary responsibility for social security programs for the elderly; and

WHEREAS Manitoba has nevertheless pioneered in the provision of services to the elderly including home care, insured nursing homes, and income supplements to the elderly; and

WHEREAS Canada is providing no financial support for the elderly income supplement and is offering support for home care and nursing homes that is so limited as to threaten future development;

THEREFORE BE IT RESOLVED that this House urge the Federal Government to assist the province in further expanding its services to the elderly by meeting 50 percent of the cost of these programs."

I have copies, Mr. Speaker, for the other parties.

**MR. SPEAKER:** Moved by the Honourable Member for St. Mathews, seconded by the Honourable Member for Emerson, the amendment as read. Do the honourable members wish me to read the amendment?

"That the amendment be amended by striking out every word after the first word "whereas" and inserting the following:

WHEREAS the Federal government has the primary responsibility for social security programs for the elderly; and

WHEREAS Manitoba has nevertheless pioneered in the provision of services to the elderly including home care, insured nursing homes and income supplement to the elderly; and

WHEREAS Canada is providing no financial support for the elderly's income supplement and is offering support for home care and nursing homes that is so limited as to threaten future development,

THEREFORE BE IT RESOLVED that this House urge the Federal Government to assist the Province in further expanding its services to the elderly by meeting 50 percent of the cost of these programs."

Are you ready for the question? The Honourable Member for Pembina.

**MR. HENDERSON:** Mr. Speaker, this is a private member's bill and I feel it gives me the privilege to be able to speak just as I feel because I represent a rural riding and I am sure that possibly things are quite different in a rural setting to what they might be in the city on many occasions, so I intend to relate what I consider an honest opinion of the way the Old Age Pension affects people who are on pension.

I know it's all right for the Member for Assiniboia to get up and move bills like this because they are definitely not going to be in power after the next election, in fact, they will be very lucky if they aren't eliminated. Really the problem is just going to be between the Conservatives and the NDP as to who's going to be administering it but I don't say that maybe he hasn't a right to propose this bill but it looks as if he is really trying to bring in something that might get him votes.

However this is kind of a motherhood bill, it's kind of one that doesn't seem very nice to vote against because there could be some that would easily find fault with you but I really feel convinced in my own mind that even the senior citizens in our area feel they are being treated very well at the present time and that things that are brought up at this time just to give them more is a vote-getting kind of a deal and that they aren't going to go for it so quickly either.

I also believe that if the Member for Assiniboine really believes in this sort of a policy, that he should be advocating it to his Liberal friends in Ottawa because I really believe that things like pensions should be a federal responsibility and there's something like succession duties and the likes, I believe these sort of things should be uniform all across the province so when you're saying, "Hear, hear, hear," just apply it to succession duties too. If you believe it in one thing, you should believe it in another.

The Member for St. Johns rather than putting something constructive into the debate, went on to state what the Conservatives had done before, but I say that what was good in years gone by isn't good now and we know that. If the Conservatives were still in power, they probably would have done more things for the old age pensioner. You people, in fact I know that many over on that side have been around for quite a while. I know the Minister of Labour even worked out at the time when they were getting \$5.00 and \$10.00 a month to work for people on a farm, when we'll say in the way of a pension was considered a big thing. So just in these last few years when we've had such an amount of inflation, you know, to compare what the Conservatives were giving just at that time and what's going on now, isn't really an objective way to look at the whole thing. In years gone by, even though people did get less, they were maybe getting their board and lodgings and their purchasing power was so much better so I think that the Member for St. Johns was really bringing in something and the Member for St. Mathews dealt with that too for a considerable length, stating that the Conservatives hadn't done anything and that is not right. They are not the only people who are somewhat compassionate on people who are in need.

Really, what we come right back down to and what we should be just talking about is whether the old age pension should be increased or not at this time. I have the feeling that an old age pensioner now gets right in the neighborhood of \$240 a month. I checked with the home in Manitou just over the weekend — where did I put that little piece of paper? — I think I've lost it now — no, here it is — to rent a single apartment for one person in a senior citizen's home in Manitou which was put up when the Conservatives were there, by the way, it's only \$60 a month — \$60 a month — so these people only have to pay \$60 and to rent a double in that home, in the old wing part of it, it's \$65.00.

**A MEMBER:** Watch it, I think he's going to raise the rent out there.

**MR. HENDERSON.** Well, at that time, the Kinsmen used to look after the home pretty much and they helped to build it and they were just on a break-even basis on the thing. This is all they were paying and then they put a wing on it later on and it was opened up I think in 1972 and they can go in there into a new wing for \$72 or \$75 and a couple can go in for \$95.00. Now you can take what a couple gets and I am not exactly sure what a couple gets but it's in the neighborhood of around \$440 or something like that, and, you know, they're only paying out \$95 for the rent of this apartment. I know and I know there's may many others know, that many of these here senior citizens in these homes have got money that they've got in the bank, you know, they're banking money above their pension. Now I am not saying that there isn't exceptions to the rule like the Member for Assinibola quoted where they were paying high rent here in Winnipeg but I say there's some people no matter what you give them, they wouldn't have enough money to go around. No matter what you give them, they wouldn't have enough to go around. I say those are exceptional cases, they are not the rule.

If it wasn't enough, I'd like to say what's become of, shall we say, the old-fashioned idea that children or friends or brothers and sisters have some responsibility for their mother and father. Why if they're just a little short and they'd like to see their parents have something extra, why can't they contribute a little bit. Because I believe that the old age pension was really made to be of an assistance to older people; it wasn't made to be the whole thing, you know, so people could say, I don't have to save, I shouldn't or what's the use; we're seeing too much of that. It was made to be an assistance to older people and it surely is doing that.

I think if there's one class of person that I think is possibly far more deserving than the old age pensioner today it's because of the pension plan in Ottawa. If there's one old age pensioner and his spouse is over sixty, that they give them two pensions according to need, their second pension. And yet if that person over 65 dies, the other spouse is cut off completely and doesn't get any assistance. Now in many cases where it's this case, somebody may have been looking after somebody that was

about 70 years old and they're getting old themselves between that age, 60 and 65, and when their partner dies, they're not wanted in the labour force, they possibly haven't been a person that's been trained to work away from home and at that age they can't stand a full day's work, so they're the people that really find it harder. If there was any type of people that I believe deserve more assistance, it's these people. People really don't want to hire them so this class of people need far more helping than the old age pensioners.

I don't know if I have anything much more that I want to say. I had thought I'd get my notes more in order but this got moved up again today rather quick, I thought, when there's two resolutions in there and the Member for Fort Rouge was going to speak, then I'd maybe have two days so I didn't go over any more than this. I was fortunate to have . . .

**A MEMBER:** You can never trust those Liberals.

**MR. HENDERSON:** . . . so it seems as if the Liberals are up to trip us up every chance they get, eh?

I just maybe should mention that what happens once in a while when we get all the do-gooders and some of the fellows that are trying to out-social the socialist and they get going, they just carry on ridiculous and I have to think of last winter when that elderly gentleman on Queen Street died and Peter Warren got ahold of that program and he was blaming the gas company, he was blaming society, he was pretty near blaming everybody else. But where do you think the blame really comes on this case when you think back over it? Did not — (Interjection) — well, he certainly doesn't deserve any credit for his program, that's for sure. On that particular issue, I would say he failed miserably.

**A MEMBER:** Another good one-liner, George.

**MR. HENDERSON:** So I say sincerely, you know, that I really think the old age pension is sufficient; I know that in particular in the rural areas there's people that's banking money. I know possibly in other areas there's individuals that haven't enough; I say there's some people that wouldn't have enough no matter what it was; I say there's an awful lot of young people who are working and raising families and trying to pay for homes, they haven't got the money that these older folks have — in fact, I was down in Las Vegas last year myself and I met people when I was down there, older people who were down who were just drawing these sort of cheques and you know that they had taken their daughter along, she was married to a working man and they had paid her ticket too. So you know this as well as I do. I read someplace in the member's remarks and I think it said that 75 percent of the people in Canada, I think he said, were below the poverty level. Well, I — (Interjection) — on pension, yes, yes, were below it and I would never believe those figures and I'm sure that they really don't apply. I have an idea that an awful lot of these people that establish what the poverty level is really don't know what it's like living in different parts of the world because I know people in my area who live in a different part, possibly in the valley where they raised their own livestock and where they cut down trees and burn them up for wood and maybe they put up blueberries and pick raspberries and all this sort of stuff. You know, if they had a net income to be above the poverty level, they'd be feeling as if they had it better than anybody else because these people they have money to spend and they have cars to drive and you go to their home and they have lots to eat and nobody's complaining at all. I have a feeling that it's just some of the social climbers and do-gooders and vote-getters like the fellow from Assiniboia that causes these kinds of resolutions to be brought forth.

**MR. SPEAKER:** The Honourable Member for Point Douglas.

**MR. DONALD MALINOWSKI:** Thank you, Mr. Speaker. I gladly support the resolution proposed by the Honourable Member for Assiniboia and commend him for bringing it before the House.

It is a very modest measure, Mr. Speaker. Even the increase proposed in the supplement, for those who have no other income, would bring their income up to only \$300 a month for a single pensioner. I would like to ask everybody in this Chamber, how many of us in this House would like to live on such a small income, on \$300 a month?

It should be remembered many senior citizens who had saved money for their old age, have been robbed of their savings by present inflation. Many who retired ten or more years ago on private pensions had the value of their pensions drastically reduced by inflation.

In introducing this motion, the Member for Assiniboia pointed out the difficulties many elderly face trying to make ends meet on such small pensions. These facts are well known. In such a rich country like Canada we can surely do better for our senior citizens. They, too, deserve to enjoy a decent standard of living.

I wish, Mr. Speaker, the Liberal Government in Ottawa could be persuaded to establish pensions on a more adequate level. After all, the major responsibility in this field lies with the Federal Government. But judging by the statement made by the Prime Minister there is little hope that the Liberal Government will do much for our pensioners.

In an interview with a writer of Maclean's magazine, Mr. Trudeau talked about the end and the need to curb problems, expectations of the getting of more and more money year after year. He didn't say anything about curbing the rising expectations of millionaires making still more and more millions. But he obviously meant ordinary wage earners and pensioners should not expect to get

much more, no matter how low their income might be. He said we must curb such rising expectations.

The Prime Minister then made this shocking statement — and I am going to quote his actual words. He said — mind you it was a really nice picture of him when he had this interview with Maclean's magazine — "We have to explain to people that we may even have to put an end to our love for our parents or old people in society."

Mr. Speaker, this statement by Prime Minister Trudeau is the most cruel, savage and heartless statement ever made about our elderly people. You will find it on Page 8 of the January 10th issue of Maclean's magazine.

I am sure all of us in this House were brought up with the Ten Commandments as our guide. "Honour thy Father and thy Mother" is a part of the Christian teaching. In fact, love, honour and respect for parents is one of the precepts of all religions. Love and respect for parents is quite a natural feeling amongst people of all races. Why did our Christian Prime Minister say: "We may have to put an end to our love for our parents or old people in society?"

I can tell you, Mr. Speaker, I was shocked at Mr. Trudeau's statement. I was also amazed that his statement aroused so little protest or even comment.

I am sure if the leader of our party, the First Minister, had made such a shocking statement or if anyone on this side of the House had said we must stop loving our parents and the elderly people in society, I assure you, Mr. Speaker, the Free Press and the Tribune would have published dozens of editorials damning us for it.

Our Liberal Prime Minister was dealing with the government's capacity in financing more adequate pensions. Apparently he thought a wealthy country like Canada cannot provide in a more generous way pensions for senior citizens. So he suggested we may have to stop loving our parents and the elderly in society as an economy measure.

Apparently Mr. Trudeau believes if some elderly people can't make ends meet on their present pensions, we should let them suffer; we should not let our love for our own parents, or our compassion for the old people in society, move us to demand more generous pensions for them.

Mr. Speaker, Canada is one of the greatest food producing countries in the world. It would be very foolish to say we can't allow the elderly to eat all the food they need. We also know that there is no shortage of all the other things needed for a decent living standard for all, including senior citizens. I am sure there are no physical barriers in the way to prevent us from raising pensioners' incomes. There is no reason why old age pensioners shouldn't enjoy the same living standards as those of the general population.

At the provincial level the passing of the bill before us is one small step in the right direction.

And now, Mr. Speaker, before I sit down, I want to deal very briefly with a religious matter raised by the Honourable Member for Roblin in his speech of February 25th. I want to do so because it has a direct bearing on the measure before us.

As you know, I normally do not deal with religious matters in this House. That is a part of my job outside this House, usually in church. But the Honourable Member for Roblin gave us a peculiar account of the Bible story about the Good Samaritan. I cannot resist giving him my version.

The Member for Roblin said the Good Samaritan, who stopped and bound up the wounds of the unfortunate wayfarer, was a private enterpriser. The men who had passed by and ignored the man in distress were socialists, according to the Member for Roblin. That is why he said he could never be a socialist.

Mr. Speaker, if the Honourable Member for Roblin understands the meaning of socialism the same way as he understood the story about the samaritan, then I would like to suggest to him he should go to Sunday School as soon as possible again and then maybe you will learn something.

Those who are familiar with the Holy Bible story know that the Good Samaritan, after binding up the wounds of the unfortunate man, put him on his own donkey and took him to the nearest inn. He then paid the innkeeper enough money in advance to look after the man until he got well. And he said to the innkeeper: "If the money I paid you is not enough, I will pay you more when I come back."

Mr. Speaker, I am not sure if they had New Democratic or Conservative parties in those times, I doubt it very much. We do not know if the Good Samaritan was a private enterpriser or a socialist. I never doubted that there are some good, kind people among private enterprisers. There is no doubt in my mind. I have met them quite often.

The Good Samaritan performed a decent, kindly, humanitarian act. But it would be wrong to say this is a characteristic of the private enterprise system. The aim of private enterprisers is to make a lot of money, more money, regardless what way, they are still hungry, they still need more.

For example, E.P. Taylor did not become a multimillionaire by helping unfortunate people along the road and paying their hotel bills for them, like the Good Samaritan did.

On the matter of pensions I did a bit of research. I found out that back in the early twenties both Liberals and Conservatives were still opposed to establishing old age pensions. In some of their speeches recorded in Ottawa Hansard, they said the establishment of old age pensions would be a

rank piece of socialism.

I would like to repeat again, because it is hard to believe but they said the establishment of old age pensions would be a rank piece of socialism. Imagine, they said it was the individual's responsibility to provide for old age. For instance, the Honourable Member for Pembina just mentioned that the children should take care of their parents. I agree with him but let's face the facts, they don't. Then what's left, what else is left? Sometimes they said, many of them, that it was the children's responsibility to look after their aged parents. But we know, of course, wages then were very low. Few people could save enough for their old age. For the same reason grown up children found it difficult to look after their aged parents. The result was great suffering, privation and humiliation for many elderly when they reached the end of their working days.

Mr. Speaker, we in this party never claimed to have a monopoly of human kindness. The Liberals and Conservatives who opposed old age pensions in those days did not wish to see old folks starve to death. Oh no, they were prepared to provide public assistance to specific cases of extreme need, but only as a last resort.

You see, in those earlier days the Liberals and Conservatives still believed that certain human needs or distress could be taken care of by private charity. If anyone knew of an elderly person in great distress they should, like the Good Samaritan, go and help, they believed Good Samaritanism should be carried on in a private individualistic way.

We in this party have always believed Good Samaritanism should be public policy, we believe by the establishment of decent old age pensions; family allowances; widows pensions; medicare, etc., the nation becomes the Good Samaritan and all citizens become Good Samaritans. Every citizen contributes and benefits from this great social security and more civilized way of life.

I am glad that at this time there is at least general agreement among all parties on the need for a comprehensive social security. I hope all honourable members, including the Member for Roblin and Member for Fort Garry, will agree with my version of the Good Samaritan idea by supporting the amendment before us. Thank you, Mr. Speaker.

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

**MR. DESJARDINS:** Mr. Speaker, I rise, not to give you a third version of the Good Samaritan story, I think enough was said about the possible reason why this resolution was brought into this House. I think that these are all very interesting, or maybe we could have a discussion as to what party does most for the older people, but I don't think that we would gain too much by having this discussion prolonged any more than we have been. I think this gives us a unique opportunity to really look in an area where society is really coping out, and probably all of us in this House.

First of all I would like to give the latest information as information. I don't want to speak on the resolution or on the amendment too much, I'd like to give you the latest information: starting April 1st the minimum that a single person would receive is \$251.90; and a couple would be \$482.48. As was said in this House, I do believe that the old age pension is something that is mostly a federal responsibility. It was only, I think, in 1974 that legislation was introduced in this House to allow a supplement — and that's what it is, a supplement, not necessarily saying as was said that we will necessarily pay all the cost — and that is the rising in cost is taken into consideration because every quarter or so there's a re-indexing by the Federal Government and by the Provincial Government, and granted it's not very much, but there is an increase.

I don't think it would serve any purpose in saying that some of us here feel that this is enough for people that have only that, or that it is too much. I think that the intention is as much as possible, with other programs, look at priorities and increase these programs that are necessary, but together, not one at the expense of all the others.

I know that we had been in discussion with the Federal Government and suggested that maybe we would increase the Manitoba supplement to the elderly if they would cost-share this, and they've refused to do that, and this is their right. It just wouldn't be possible to go ahead and do what the member wants us to do; and I will tell you that he would be back next year and he would ask for 550 or 600, and in the fall of the year it would be 700, and that's not bad to have somebody pushing you all the time and keeping you on your toes to see if you can afford it, that you don't forget these programs. But I don't think we would ever satisfy the Honourable Member for Assiniboia, because — how many years has he been in the House — about 15 years and that must be the 15th resolution that he's brought in on this. So, as I say, it's good to keep us on our toes, but I don't think we'd ever satisfy anybody; but who would say that \$500 is enough for a couple? We would have the same thing.

When we say an old age pensioner or when we say an older person we think immediately of people over 65 years old that are in need, and that's not necessarily the case. My honourable friend is suggesting what? Is suggesting an increase in pension, and that would be universal and you would have to pay for an accountant for the Member for Swan River because he's lost track of the pension he's getting. I think he's got one from the RCMP, the Northwest Mounted Police, I don't know how many else he's getting, the MLA pension, and so on. I can tell you that there are a lot of people in the personal care homes, and I want to talk about that. Yes, there is a daily charge in the personal care

home, and I don't think it is exorbitant. These people are taken care of, it is now their home, they don't keep a second home, they are fed, they are clothed, they have shelter. You know what happens, many of these people, now it becomes an embarrassment for some in these personal care homes, they don't know what to do with their money, and that money is taken over by the children, by the children. This is what we are doing, they don't need that money and they have to give it to their kids so they don't lose it, or go and spend it somewhere, or they won't qualify.

There's another place where I think that we are copping out on senior citizens homes. You have some people, because of the funding mechanism and so on, it is only certain people that can qualify for that, if they have a little more money, they can't. And it's not just a question of money, many people would love to be with older people so they can play bingo and chat and have the kind of recreation that they have in these homes, but do you know what they have to do? They apply and they say, "You have too much money." So they can go back home, call their kids, give them the money and then society will pay for them, and I think that's unfortunate and I think that we should build some personal care home where anybody could be admitted. even if they have to pay the going rate, not necessarily that we have to subsidize them.

But what shocks me the most — and I haven't heard anybody that participated in this debate say anything about that at all — - and that's been money. Money, money, money, money. And as I've said, if there was ever a cop-out it is the way we treat older people in this country or anywhere, and I think that the people can be judged by the way they treat the people, starting with the families. It is true that you haven't got the patience with these older people any more, the government is there to give out all these facilities, so you want to get them off your back, and you've got to get rid of them. There's a lot of people that were talking about the waiting list for a personal care home and that shouldn't be part of the waiting list at all, that is a joke. There's some people that immediately, they're so afraid that their parents will become a hindrance that they go and apply and register on the waiting list and there is no reason in the world why these people should be in a personal care home.

You know, we're talking about all the advancement that science made and how the people are living older and older and older and where they're having the good life but automatically at 65, compulsory retirement —(Interjection)— I say that's unemployment, I say we're not counting the people that are unemployed. There are people that have many many years ahead of them but at 65 if they're lucky they get a watch and then they're told good-bye. You know a lot of the problems that those people — these people never had these problems — all of a sudden some of them will start drinking, they never thought of that before because they're lonesome and they're going to die of loneliness. It's not just the dollars but what the hell do we do about these people to take care of them? I've got a book here which I would recommend and in fact I will buy one for each caucus if you promise to read it because I think it's an excellent book. It's a book by Alex Comfort — (Interjection) — No, it's not "Joys" or "More Joys of Sex" but it's a good book entitled "A Good Age."

**A MEMBER:** What's the title again?

**MR. DESJARDINS:** "A Good Age." I want to read part of this because I think it will make you think and if nothing else we should use this resolution for that and to see how far we have to do it, how much we have copped out with certain people because they're not organized. You know, if they were teachers, if they were on strike, we'd stand up but these people, you know they're not strong enough.

I quote from this book now. "Let's look at the stereotype of the ideal aged American as past folklore presents it. He or she is a white-haired, inactive, unemployed person making no demands on anyone, least of all the family, docile in putting up with loneliness, rip-offs of every kind and boredom and able to live on a pittance. He or she, although not demented which would be a nuisance to other people, is slightly deficient in intellect and tiresome to talk to because folklore say that old people are weak in the head, because old people are incapable of sexual activity, it is unseemly if they are not. He or she is unemployable, because old age is second childhood and everyone knows that the old make a mess of simple work. Some credit points can be gained by visiting or by being nice to a few of these sub-human individuals but most of them prefer their own company and the company of other aged unfortunates. Their main occupations are religion, grumbling, reminiscing and attending the funerals of friends. If sick, they need not and should not be actively treated and are best stored in unsupervised institutions run by racketeers" — this is an American book — "who fleece them and hasten their demise. A few who are amusing or active are kept by society as pets. The rest are displaying unpardonable bad manners by continuing to live and even on occasions by complaining about their treatment when society has declared them un-people and their patriotic duty is to lie down and die."

Now doesn't that make you think, and you know around 1980, one out of every five people in North America or in the States anyway, will be over 65. You know, so I think it is a cop-out when we're talking about forced retirement. It is not only the money part of it because I think we are improving. There are pensions and we are giving many services that they never had before but where we are way behind and we've said that nobody has had a monopoly on wanting to do good things for people but

I'm darn sure that there's not too many in society from this party or any other party that have thought about these people except on the question of finance. These people need an awful lot more than that.

Not too long ago one of the, I think it was a T.V. station, was making a big thing about these guest homes, you know, how bad it was and they interviewed this fellow and they said, "Well it's pretty bad." He said, "That's not what bothers me." He says, "I've got seven or eight kids but I'm here all the time, I don't even go home for Christmas." And that's what hurts the people. Some of them who have been accustomed to being with their spouse for so many years, all of a sudden to add on to all these things, this person dies and they're alone. Nobody will talk to them and I think this is wrong.

I think that even the medical profession has been behind in dealing with these people. It's not popular, nobody wants to make house calls. We say at 65 if you're sick, it's old age. And it isn't old age. They have the same ailments, the same trouble that we have and they're as healthy, as smart and as clever as we are. I'll give you some examples of this because you know at 65 you're supposed to be useless. Now let me give you some examples. Bertrand Russell, British philosopher and champion of individual liberty, was one of the most influential thinkers of the Twentieth century. In 1960 when he was 88, he resigned from the campaign for Nuclear Disarmament to form his own far more militant Committee of 100. At the age of 90, he intervened with heads of state during the Cuban crisis. That's one man, around 90. And this guy at 65 was supposed to retire.

Nobody knows this man but he's Malee Quatasortas, was actively farming his land in Southwest New Mexico when he was 104 years old. He's even older than George and he's still farming.

Michelangelo, sculptor, painter, architect and poet, was 71 when he was appointed chief architect of Christendom's greatest architectural undertaking, St. Peter's in Rome. That's when he started, 71. And you know how many years it took him to do that.

Pablo Picasso, one of the greatest and most influential artists of all time remained to the end of his 91 years a man full of vigor and zest.

**A MEMBER:** What was he doing at the age of 91?

**MR. DESJARDINS:** A hell of a lot more than you are doing right now, I think. Mahatma Gandhi, India's great statesman and spiritual leader was 60 years old in 1930 when he led a 200 mile march on the British government re salt tax and at 70 undertook a fast unto death. And there's all kinds — I've got a marker at every one of them.

Grandma Moses, how old was she, that painter, she had embroidered on canvas for many years and when she was 78 her fingers became too stiff to manipulate a needle so she began to paint in oils. —(Interjection)— She didn't even know that existed. She made her own way.

Duncan McLean, won a silver medal at the 1975 World Veterans Olympics in Canada when he ran 200 meters in 44 seconds. He could beat any of us here; he was only 90 years old, that's all. —(Interjection)— Maybe in running but not in everything else.

I don't think that this is a comedy, I'm not trying to be funny. I think that this is something that we are wrong in this thing; we are not thinking of the people themselves and the worst thing is we'll all be there some day. We'll all be there some day. And what's going to happen? As I say around the turn of the century, one in five and I imagine it's the same thing in Canada or North America, one in five will be over 65 years old. You know how difficult it is to sit here and to work, you get criticized and so on in government but a few years ago who did you have running government? You had Churchill. I'm not going to try to say how old they were but you had Churchill; you had Franco; you had Eisenhower; Roosevelt; De Valera; you had Stalin and all those people and they put many long years and they were able to work.

Now I think that it's all right to talk about the money and how much they should receive but that's only one of the things they want. That's only one of the things they want and we are wasting, you know, we are saying about the greatest resource of any country is the human resource and so on but those people are dead and they should lie down. As far as society is concerned, throw them out; they're 65, throw them out, pay lip service, go ahead give them a few more cents a month so they can live or so their kids can take it away from them and shove them in an institution but what are we doing besides that? I think that this is the important thing.

I would hope that gerontology will be something that will progress here, that you'll have specialists to work on these people because they will fall sick because they are a little older; maybe they'll have rheumatism a little faster than the others but if you take care of them right away, if they know that the acute hospital is for them also, that you're not going to say, "Oh well they're too old," and you help them to get fit and then send them back into society so that they can live many many years. Look at the cost, look at how much money we would save there, look at how much money if we didn't have to pay for these people if they could go ahead and keep on being productive for many years to come. I don't know if I'm stretching this a bit, this resolution, I don't think I am because this is something that you know, it's so easy, so easy to say well, somebody said "motherhood" and I'm not faulting anybody; I'm not faulting the member that brought this resolution. It is important but that's a rip-off. We're conning these people and we're not doing a damn thing for them. But I say that we should wake up because the old, these people are used to it and you're going to see that they're going

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to be militant and they're going to demand and if they're smart — the newspapers aren't talking too much about them either, it's not glamorous, you know there's nothing in old age and — but those people are not as mobile, they need the media, and so on. You'll see changes and you'll see these people as I say get organized and I hope they do, in a very important — call it pressure-group if need be, that seems to be the name in our society now that if there is enough pressure, you'll probably get what you want. But I say to the honourable members, the members of this House that is what we should be looking more than this other thing. Then that would be a contribution and that would not cost money, that would save money and you know, the people save. We work like damn fools so we can retire.

**MR. SPEAKER:** The hour being 5:30, the House is now recessed for the supper hour until 8 p.m. when it shall reconvene in Committee of Supply.