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**DEBATES
and
PROCEEDINGS**

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LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 23, 1978

Time: 8:00 p.m.

SUPPLY — EXECUTIVE COUNCIL

MR. CHAIRMAN Members of the committee, we have a quorum. Prior to closing off for the supper hour, the Member for Lac du Bonnet had the floor. The Member for Lac du Bonnet.

MR. USKIW Well, Mr. Chairman, I was attempting to find out just before 5:30, how it was that the report that we are looking at seems to deal only with the period in government between 1968 and 1977 and the statements which suggest that there was excessive bureaucratic growth without sort of backup material to show where it is or where it was, if it has been eliminated. Making statements is not difficult to do on anyone's part but I would have thought that these reports would have been backed up with some appendices to give us the examples that relate to each one of these statements on undue government growth and bureaucracy. In other words, what are the specific examples or are we going to be provided with specific examples of where that taken place? The report indicates the desirability of curtailing and eliminating low priority programs. Well, Mr. Chairman, that is not a matter of efficiency; that particular element relates to philosophy and policy, it has nothing to do with efficiency.

So I would like the Minister to give us an idea of where we can find the evidence to back up these general statements on excessive growth and where that growth has been trimmed off, if it has, because as I understand it and indeed in a number of departments that I had some knowledge of in going through their Estimates during this session, we zeroed in very much on those particular points and could not find anything to come close to what are described here, on Page 2, the introduction of this report.

In Agculture, I believe the department eliminated ten positions but, Mr. Chairman, we had frozen a vacancy rate of about 10 percent there for three years and so they eliminated ten positions that were vacant for two or three years. You know, if that is the growth that is worrying the present Minister, then let him say so, Mr. Chairman. I think it's somewhat of an exercise in futility unless we can get some specific documents with respect to where the overabundance of staff was and whether it's been eliminated or is intended to be eliminated.

In the large departments, both in Education and in Health, the indication from the respective Ministers was that there was no excessive staffing and that they were relatively satisfied with the efficiency of those departments. Now does that indicate to the committee that the Minister without Portfolio is running into a very difficult battle area with his colleagues or does it indicate that his colleagues don't really know what is going on in their own departments or have not had an opportunity to discuss it with this Minister? Certainly we should expect, Mr. Chairman, a little more than general statements. We should have something in the way of specifics so that we could discuss these recommendations somewhat more intelligently than we are able to do at the moment.

MR. CHAIRMAN The Minister has indicated that he will reply to that at a later time. The Member for Selkirk is the next person on my list and then the Member for Winnipeg Centre.

MR. PAWLEY Mr. Chairman, I certainly want to follow on from the comments I thought so ably put by the Member for Lac du Bonnet in that we have reviewed some eight departments and it is my understanding that the Ministers of those eight departments have indicated that they have not observed fat, inefficiency, ineptitude as there has been an attempt throughout this report to suggest. Mr. Chairman, this is, of course, a Conservative document. Its philosophy is well demonstrated throughout. The bias is there. I refer to the very tables. The fact that the years chosen without coincidence are chosen with the aim in mind of trying to demonstrate a comparison, the first full year before the election of a New Democratic Party government in 1969 throughout the NDP years. There is, for instance, on Page 31 as well we have a table which is of course designed to show that some way or other gross provincial product has gotten out of hand. It shows an increase of 11.8 in 1967-68 to 18.6 percent in 1976-77. So there's been an increase in the gross provincial product.

Now in Conservative philosophy mentality, of course, there's something dramatically wrong in

that, something dramatically wrong in that type of development, that it demonstrates an involvement by government in areas that are positive and worthwhile. If we want to revert back to the 11.8 to 12.5 percent gross provincial product, of course, we can easily do that. We can do so by eliminating the programs that have been introduced which make up the provincial spending whether it be in the field of personal care, whether it be in the area of Pharmacare, whether it be in the field of Medicare.

I refer members to 1968-69, the Manitoba Housing and Renewal Corporation consisted of four employees — four employees — it was but a corporation which existed for window dressing. There was no effective program that had been developed in order to bring housing to those of low and low-middle income groups within the Province of Manitoba. So, Mr. Chairman, Manitoba certainly did enter into fields of public expenditure, and there is absolutely no apologies that need be given for that. The movement has been one of bringing to Manitobans worthwhile programs.

And I believe, Mr. Chairman, that in other provinces, whether they be governed by Conservative or Liberal governments, there was also an increase in the percentage of public expenditure and investment, but the Minister has chosen fit not to include within the Task Force reports, graphs which would show for us, for instance, Government of British Columbia expenditures as a share of gross provincial product, the Government of Ontario expenditures as a share of gross provincial product, or Nova Scotia expenditures as a share of gross provincial product, because and I'm not criticizing the increase as I indicated, I think the increase has been of such a nature that it has brought benefits. If the honourable members don't feel that the increase has been positive and worthwhile, then let them return to the 1968-1969 period. In fact, Mr. Chairman, I suspect that it is the desire on the part of the present government to return us to the 1968-1969 period, and sure we'll be back to 12.3, 11.8 of the gross provincial product. And there's no question, Mr. Chairman, that the government party today in Manitoba — (Interjection) — well, Mr. Chairman, it's the same old story. The only answer . . .

MR. CHAIRMAN Could the members of the committee at least allow the Member for Selkirk to address the Chair, please, without too many interruptions.

MR. PAWLEY It's the same old answer, what about the hydro rates? What about the hydro rates? But, Mr. Chairman, the central problem that faces the Minister in the Task Force Report is that there was no excess fat, there was no great ineptitude, there was no large layers of waste, and that is the problem that is confronting the present government. That is why at the beginning it was felt, oh we're going to find, and they led the people of Manitoba to think that there would be large areas of excessive waste and fat. His Ministers have not discovered that waste and ineptitude, as has been demonstrated by their own words — some eight Ministers so far — so that their only alternative now is to trim back on worthwhile programs, and we have many areas, I'm not going to burden members with the areas of programs in which they have begun to gradually modify programs that have been introduced, Manitobans are well aware of those programs, however, and we are seeing the very beginnings of that at the present time.

Mr. Chairman, in specific questions to the Minister, I would like to ask him if he has a report yet for me in regard to William McCance and his source of salary.

MR. SPIVAK Yes, I do. I'll give that after.

MR. CHAIRMAN Would the Member for Selkirk wish to carry on or do you want that specific answer from the Minister now?

MR. PAWLEY Well, I would like to deal with Legal Aid later but it may be at this point that we'd be moving ahead of ourselves.

MR. CHAIRMAN The Minister wishes to reply when you've completed your remarks.

MR. PAWLEY Well, there's a number of specific questions I would like to . . . Mr. Chairman, you can go on to the next speaker while the Minister is obtaining the answer.

MR. CHAIRMAN The Member for Winnipeg Centre then.

MR. BOYCE That was before supper, Mr. Chairman.

MR. CHAIRMAN I'd like to report to committee that this is a rather rare situation. I have no other speakers listed on my list although the Member for Selkirk has asked a specific question to the

Minister and is waiting a reply and is there any other person within the committee that wishes to speak now? The Minister responsible for the Task Force.

MR. SPIVAK Well, Mr. Chairman, with respect to Mr. McCance, he is employed on contract starting as of October 24, 1977 with a biweekly salary of \$1,067.36. I might point out that he was employed as the secretary of the Task Force. That contract and that salary is less than two other employees of the Task Force who were employees before the former government, one of whom was on contract at \$1,299.31 biweekly and one who was salaried at \$1,157.51 biweekly.

With respect, Mr. Chairman, to the remarks of the Honourable Member for Selkirk, he, I think, expressed a very telling remark when he said that the graphs should show for us — I think I'm quoting him directly — "it should show for us" and then he went on to say what he thought it should show for us.

MR. PAWLEY For Manitobans.

MR. SPIVAK Well, no, he said show for us and by us he did not mean Manitoba, he meant for the New Democratic Party government. What he is essentially saying is that they should show for us those things that they consider are most advantageous. I should indicate, Mr. Chairman, that a ten year period, a decade, was used as a basis for comparison. I don't think that's an unreasonable situation. A comparison to the present date. When one goes back in history to any moment in time, they can bring it up to the present date, they could go back 20 years, they could go back 30 years. The Task Force went back 10 ten years.

MR. PAWLEY Very convenient, very convenient.

MR. SPIVAK Well, if the last ten years, Mr. Chairman, eight of which were in fact the government of the New Democratic Party show in some unfavourable light statistical data which the members opposite are concerned about, that's their problem.

MR. PAWLEY It just doesn't show the true picture, the entire picture.

MR. SPIVAK Well, Mr. Chairman, I don't think that that's really the case. If any individual members would like to suggest that there was no fat, there was nothing to be cut, but the reality, Mr. Chairman, is that at the present time, since October 24th, there has been a reduction in the Civil Service in terms of not departmental employees or casual employees or people who were really considered term, but those who were within the Civil Service a reduction of over 1,300 positions. Mr. Chairman, the services of government are continuing and I have not heard an uproar from the members opposite as to the services of government that had been denied the public, so the reality is that there has in fact been a substantial reduction, a large percentage of a reduction of the people who are employed in government and carry on government services. And so I have to say to the honourable members, when you say that we were dealing in a situation where there's no fat, I say to you that there has been a substantial reduction of Civil Service with all the attendant costs related to the operation and government services are continuing and they are continuing rather satisfactorily.

MR. CHAIRMAN The Member for Selkirk.

MR. PAWLEY Mr. Chairman, if there are no further speakers, I would like to deal with some specific areas in connection with Legal Aid, but I don't want to lead into that area unless there are no other speakers dealing. . . The Member for Peina has been most anxious to participate in the discussion.

CHAIRMAN'S RULING

MR. CHAIRMAN Maybe before the Member for Selkirk continues into another aspect of the report, most members of the Committee will recall that the Member for St. Vital — Can I have the attention of most of the members including the Member for Pembina — will recall that at least on two occasions he has asked me for a ruling as pertaining to a vote that took place on Tuesday of last week, the 16th, on a matter of privilege. So I'd like to report to the members of the Committee and particularly to the Member for St. Vital and the Member for Burrows because the motion was moved by the Member for Burrows, and neither gentlemen were present when we started about 8:01 this evening, so if you will permit me to read this into the record:

On Tuesday evening, May 16th, I took under advisement a point of order raised by the Member for St. Vital, regarding the admissibility of a motion made that same evening, by the Member for

Burrows.

The Member for St. Vital very correctly brought Citation 242-2 of Beauchesne's to my attention. This citation forbids the acceptance of any motion except to reduce an expenditure or for the Committee of Supply to rise. In addition, matters of privilege should only be brought before the whole House with Mr. Speaker in the Chair.

I make no comment on the priority of the basic question of privilege raised by the Member for Burrows, however, it appears that our discussion of this matter was out of order.

Furthermore, since our Committee of Supply rules forbid any votes after 10:00 p.m., the vote held on this question was also out of order.

I would like to apologize to the Member for St. Vital and to the Minister for allowing the debate that was inadvertently held on this question, and to thank the Member for St. Vital, who is a former Chairman of the Committee of the Whole for bringing this to my attention. I have said from the outset that I certainly will make mistakes as Chairman and on that particular evening that mistake did occur and we did proceed with the vote that was out of order, and I thank the Member for St. Vital for bringing it to my attention and that is my ruling.

MR. HANUSCHAK Mr. Chairman, I certainly thank you for your ruling. There is no question your ruling is a correct one, but I think that the record still ought to show that the Minister without Portfolio responsible for government reorganization and economy, did make a very serious charge against a former First Minister, a charge without any evidence or foundation to back it up, and as the deliberations of the Committee proceed it may well be that we may choose to pursue another avenue to bring this matter to an end.

MR. CHAIRMAN Take the matter before the Whole House, before the Speaker.

SUPPLY — EXECUTIVE COUNCIL (cont'd)

MR. CHAIRMAN All right, we're back to the general discussion. The Member for St. Vital.

MR. WALDING Thank you, Mr. Chairman. I raised a matter this afternoon with the Minister concerning Graph III on Page 19. I didn't hear the Minister respond to those comments. I wonder if he has any response or perhaps I missed it.

MR. SPIVAK Mr. Chairman, all Graph III shows is the rate of change and it shows it's reflected in a graph form. The percentage change is not shown but the indication is very obvious, and I think the honourable member realizes it, that the government expenditures rose proportionately higher than the gross provincial product. That's reflected in the statements that are presented in the economic position.

MR. CHAIRMAN The Honourable Member for Burrows.

MR. HANUSCHAK Yes. I did ask the Honourable Minister this afternoon if he could outline the role and function of the two co-chairmen of the Task Force. I asked him whether they're jointly and severally responsible for the operations of a Task Force or whether there was some delineation of role of function assigned to each.

MR. SPIVAK I accept that question as being a political statement rather than a serious question.

MR. HANUSCHAK It's a very serious question.

MR. SPIVAK Well, if it's a serious question, Mr. Chairman, all I say is all one has to do is read the Order-in-Council to determine the responsibilities of the co-chairmen. We operated as co-chairmen would operate under those circumstances, in which we jointly and severally took responsibility for what was published and for the efforts undertaken. In some specific areas there was some preliminary examination of one phase or another but in reality we examined as a Task Force the total work undertaken by the Task Force, all the material that was available to us in terms of source of information, and we arrived at our conclusions jointly and severally together.

MR. CHAIRMAN The Member for St. Johns.

MR. CHERNIACK Mr. Chairman, I now have two comments to make based on what the Minister has said.

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One is, he talks about the joint and several responsibilities of the chairmen. I marvel at the fact that his co-chairmen has gone in the public and not deigned to come here to give us the benefit of his knowledge, experience and advice.

MR. SPIVAK He doesn't have to.

MR. CHERNIACK Of course he doesn't have to. As a matter of fact this Minister doesn't have to be in this room.

MR. SPIVAK Many co-chairmen . . .

MR. CHERNIACK When this Minister wants to speak he should ask the Chairman for the opportunity to take the floor. Mr. Chairman, had Mr. Riley remained anonymous and in the background, I would at least say, well, he wanted to remain aloof from the political sphere.

But was it last Saturday that he decided to give a rare inter30/ view and gave an interview, at some length, on the Task Force and then I think that that was an affront to the task he undertook to do and that is to advise the Legislature on the findings of the Task Force and the recommendations. In other words, he lent credibility to what was done without being accountable, and when you read all the need for accountability and responsibility and those words that are mentioned in this Task Force Report, I can only be critical of the fact that Mr. Riley picked and chose his arena and did not agree to come here.

Now, the Member for St. James again wants to make the . . . he's made about five speeches, Mr. Chairman, in the last five minutes.

MR. MINAKER One line speeches.

MR. CRERNIACK One line speech, well that's all it was worth his doing; even then it was a waste of time.

Mr. Chairman, this explanation that the Minister gave for Graph III on Page 19 doesn't make sense, Mr. Chairman. He said something about relative but, Mr. Chairman, any graph I have seen — and I've seen a few — has two yardsticks, two measurements. One is vertical and one is horizontal and if you miss one or the other it is grossly misleading to the extent where it is not only useless but it is damaging. I think the Minister. . . it would be much better grace on his part to say, "Yes, we goofed. We should have had a vertical line here which would have had something to show the proportion of which we're talking." Instead of that he brushes aside a major error in the graph. I accept his doing that because I think that that is the value of many of the findings that we have in this report. I bring it up only, firstly, to give the Minister an opportunity to say, I will bring a corrected graph and distribute it to all members, or, to just keep on what he is doing, and that is trying to fudge the issue. I would expect him to do that because I think there is much that he cannot support in the statements that are made.

I'd like to ask the Minister, referring now to Page 22, where the Task Force talks about, well, let me read the first sentence. "Another approach to measuring the size of government is to compare government employment to the population base it serves." Having made that profound statement, I'd like the Minister to tell us what he learned about each of the other provinces, of Manitoba in relation to the size of the government employment to the population base that it serves in the other provinces. Could he inform us of that.

MR. SPIVAK Mr. Chairman, the Task Force had various options in the way in which they presented it. They could have showed for them, which would have been the comparison that they've always claimed should be made with other provinces, rather we wanted to show for Manitoba, which is really what we did. And Mr. Chairman, again I point out that since that time we have reduced the Civil Service by over 1300 permanent employees.

MR. CHERNIACK Mr. Chairman, may I ask, did the Task Force reduce the Civil Service?

MR. SPIVAK Mr. Chairman, that was reduced by the government with the co-operative effort of the Task Force, and certainly with the determination of the Ministers involved, and the Premier, trying to live within our means.

MR. CHERNIACK Mr. Chairman, would the Minister mind answering my question. Did the Task Force reduce Civil Service?

MR. SPIVAK The Task Force can only recommend, Mr. Chairman, and what we did is, in the case

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of the Estimates for this coming year, we did try to make certain recommendations when we could to influence and have some impact on the Estimates, and I believe we did.

MR. CHERNIACK Now, Mr. Chairman, that we've established that the Task Force did not reduce the Civil Service, would the Minister respond to my original question, and that is, did the Task Force have the information of the relative size of government employment to population base in the other provinces?

MR. SPIVAK Yes, Mr. Chairman.

MR. CHERNIACK Would the Minister care to inform us of that.

MR. SPIVAK Well, it's within the working papers. That information is available to the honourable members. If they want it, they can go out and get it.

MR. CHERNIACK Mr. Chairman, would the Minister produce the working papers, please?

MR. SPIVAK No, Mr. Chairman, I have no intention of producing the working papers. I am dealing with recommendations that were made. —(Interjection)— There's no stonewalling, we had a lot of working papers, and I have no intention at this point of dealing with the honourable member's desire for working papers. If they feel that there is other information that is important and should be brought forward, they have a perfect right in the Session, outside the Session, to do that, and I have no doubt they will. But the fact is, Mr. Chairman, we are dealing with recommendations and information that has been presented in terms of our report. The members opposite can deal with it in any other way they see fit. They may not accept the position that we've made, they may say that other information should have been put, and they may have followed the procedures of the words of the Member for Selkirk, in which we should have information that would show for us.

MR. CHERNIACK Mr. Chairman, I have accepted the fact that the government refuses to produce the working papers. My question was, would the Minister inform us of the information he has relating to government employment to population base in other provinces?

MR. SPIVAK No, I have no intention. That's not my function at this point.

MR. CHERNIACK Mr. Chairman, since the chairman who has the information available to him, refuses to give us that information . . .

MR. SPIVAK Mr. Chairman . . .

MR. CHERNIACK Mr. Chairman, I will not be interrupted . . .

MR. SPIVAK On a point of order, on the question of refusal, gives the implication that there's some obligation. There is absolutely no obligation on my part.

MR. CHERNIACK Mr. Chairman, I'd like a ruling. Was that a point of order, and was that properly so, Mr. Chairman?

MR. CHAIRMAN No, I think it was an answer to a question.

MR. CHERNIACK Yes, Mr. Chairman, would you inform the Minister, another Minister without Portfolio, that I am entitled to have the floor unless the Chairman interrupts me. Not the Minister without Portfolio for the Task Force, nor the Minister without Portfolio for Manitoba Housing and Renewal Corporation, only the Chairman has the right to interrupt me when I have the floor. I wish you would tell him that, because he hasn't learned it yet. And that's why I feel I have the right not to be interrupted.

MR. CHAIRMAN Can I interrupt the Member for St. Johns at this point and remind all members of the committee that it is very very difficult to carry on the proceedings of this committee with more than one person trying to speak at one time. I have done my best to keep the Minister quiet so that questioners can question him and finish their questions as often as possible. I also remind all members of the committee that we are really dealing with the Minister's Salary here. The report happens to be the discussion that's before us that we are choosing to use in discussing the Minister's Salary. Whether the Minister wants to or doesn't want to bring in all kinds of other documents that his department may have in their possession, in my opinion, is his business. But I just remind all

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members that we are discussing the Minister's Salary, and I would ask all members to please allow the person recognized by the Chair to complete their questioning or their statements.

The Member for St. Johns.

MR. CHERNIACK Mr. Chairman, I did not bring the quotations that I had available at our first meeting, where the Minister without Portfolio responsible for the Task Force stated in the House that the opportunity to discuss the Task Force in all its length and breadth would be at this moment, and that's why I am going beyond his Salary and discussing the work he did, and which he is now trying to justify by way of Salary.

Mr. Chairman, I'd like to ask the Minister whether there's an indication in this report, which I haven't seen yet, which indicates the Civil Service employment, government employment to population as a percentage. Mr. Chairman, I gather he didn't understand me. Is there in this report a statement that government employment, related to population, is a certain percentage, that is, so many percent of the population form the government employees? I haven't seen it, it may be here in the report.

MR. SPIVAK Well, have you read the report?

MR. CHERNIACK Yes.

MR. SPIVAK Have you read Page 22?

MR. CHERNIACK Yes.

MR. SPIVAK Well, would you like to read Page 22 out loud?

MR. CHERNIACK Mr. Chairman, would the Minister care to answer . . . he doesn't have to answer any questions, Mr. Chairman. I asked him, I have not seen it. I see the increase, the proportional increases, by $\frac{1}{2}$ of one percent, by one percent. I may have read it too superficially. Is it not here?

MR. SPIVAK On the bottom of Page 22, in 1968, there were 11 provincial government employees to serve each 1,000 in population of Manitoba, and by 1976 this number had increased by 36 percent to approximately 15 per 1,000 population.

MR. CHERNIACK Oh, that's helpful. Mr. Chairman, could the Minister indicate what was the percentage population in Ontario for the same periods of time?

MR. SPIVAK No, Mr. Chairman.

MR. CHERNIACK Would the Minister care to indicate what it was in Alberta? Or any other province?

MR. SPIVAK No.

MR. CHERNIACK Well, Mr. Chairman, that means therefore that the Minister has decided that it is not relevant to this Task Force report to indicate what is the government population per population in any of the other provinces of . . . He has refused to do that, Mr. Chairman. . .

MR. SPIVAK Mr. Chairman, I have not refused to reveal . . .

MR. CHERNIACK Mr. Chairman, here we go again. So, Mr. Chairman, it seems to me that if he does not want to present this as part of a balanced report on the Task Force, then surely there ought to be something in the report, and again, I read it very quickly and superficially, there ought to be some indication as to the extent to which government had taken over tasks that were being performed in the supposed private sector in comparable years. In order to be relevant when one talks about an increase in population, may I ask the Minister whether there is anything in this report to indicate an acknowledgment that there was a great deal of increase of service in matters which this government has not yet indicated that they would reduce.

MR. SPIVAK Mr. Chairman, the honourable member is capable of reading the report and making whatever comments he wants, and I am prepared to listen to his report. I am not prepared to simply deal on a line by line questioning on his part or an examination. He is very much aware of what the report contained. I am assuming that he has read it and I am prepared to listen. I am not prepared

to go through this kind of cross-examination. I do not believe that this is even necessary. The report stands for itself. If he believes that there is something in the report that is not of sufficient information or he believes there is a comparative feature that should be brought forward, then he certainly can bring that up to the Committee's attention. But I have no intention of dealing on a line by line, or subject by subject cross-examination, and I tell this to the honourable member. He is a very skillful cross-examiner, and his talents can be applied in many different ways, but this is, as I see it, not a function that I have to perform at this point.

Certainly if he has a comment to make with respect to it, he certainly can make those comments, and I would be prepared to respond. But I am not prepared to deal and I don't think it is necessary to deal with a line or a clause-by-clause examination of whether this is in here or whether that is in here or whether this should have been here, or whether there was some more information. It stands by itself. The most important feature, Mr. Chairman, was to indicate that in effect, you know, the public sector is a very significant part of the economy, that in terms of the total employment, not including the Federal Government, there are over 70,000 people who were employed by government in one form or the other of our labour force, and that is contained on Page 23, and that represents, Mr. Chairman, a significant percentage of our employees that are funded through public revenues that are gained through taxation.

MR. CHAIRMAN The Member for St. Johns.

MR. CHERNIACK Mr. Chairman, I suppose it is fair for me to comment that flattery will not get the Minister anywhere with me in this respect.

MR. SPIVAK I have no intention of flattering you.

MR. CHERNIACK He has no intention of flattery, then it is even a greater flattery for him to give the impression that he believes in my ability to cross-examine.

Mr. Chairman, the Minister said he is prepared to listen. It so happens, Mr. Chairman, that I am not here to justify the work that I have done in this year, nor to justify the salary that I want to have for the forthcoming year. The Minister is the one and the Minister is the one who said he is prepared to discuss the Task Force in its entirety during his Salary. If he finds it difficult, embarrassing or non-productive to answer the questions which I am requesting of him, then all I can do is to continue to ask the questions. His failure to respond could be interpreted by anybody in any way. But I have to say, Mr. Chairman, that to me, for one thing it is absolutely ludicrous to talk about growth in civil service as in proportion of population without relating that to what is the experience elsewhere and to what is the experience in this province in relation to services undertaken.

Now he was a member of the government which took over the Medicare features, which entered into the relationship with doctors working on a fee for service and took over the entire Manitoba Medical Service Program. I recall that in our first year in government, when we were carrying out the decision made by the Conservative Government, we took over, I believe it was, 200 employees of the Manitoba Medical Service and took them into government service, to do exactly the same job that they had done in the previous year.

Now only a person who doesn't understand that you have to relate the nature of the service to numbers, would blind himself to saying only, "Here is a number in 1968, here is a number in 1976," and come to conclusions. The Minister, apparently, didn't have the sensibility of showing in this Task Force Report the basis on which it is important to assess conclusions, and, Mr. Chairman, I have not criticized the purpose of a Task Force. I think it is good. I think it has been said before, to evaluate, to review, to look for improvements, but for this Task Force to be credible at all, it ought to have some basis, and that is why I am kind of sorry that Mr. Riley was prepared to go public and not into this Committee to inform us of his conclusions and the basis for it, because he is the presumably non-political part of the team. Now I said presumably because I don't know, but so far he is put in the same category as this Minister.

Mr. Chairman, this Minister is not prepared to give us information that shows a comparison with other provinces, and this Minister is not prepared to give us anything to show that they have made any study whatsoever as to the nature of the change in services. I heard mention that, "Is it true that the Autopac employees are included in the numbers shown here of 15,000 per population?" Is that a correct statement, Mr. Chairman?

MR. SPIVAK No.

MR. CHERNIACK The Minister shook his head. I assume therefore that all of the MPIC employees

are not included in this growth. That would mean then I assume that the Telephone people are not and the Hydro people are not. Is that correct?

See, Mr. Chairman, we don't even know and the Minister says, "I am prepared to listen." It so happens, Mr. Chairman. . .

MR. SPIVAK Mr. Chairman, just to answer that one question because I think it would be important.

MR. CHERNIACK All right, go ahead.

MR. SPIVAK I don't think the Member for St. Johns would want to put anything in the record that was incorrect. I mean I don't think that he would want to. . .

MR. CHERNIACK So far I have asked questions so I am not incorrect.

MR. SPIVAK Well, I think it stands to reason that with a million population and a Civil Service that was around 15,000, when one says 15 per thousand, we are talking Civil Service, and that does not include Autopac or the Crown corporations. Crown corporations are another 13,000, that would make it 28 per thousand. I think that when you look at the figure of 70,000 that would make it 70 per thousand, which are those people who in fact are employed by funding from the Provincial Government, one way or another, that does not include the Federal Government. Those figures are there. r,

Now, I can debate with the honourable membe and I will after he concludes his presentation, with respect to whether that information is complete, whether more information should be forthcoming, which is really what he was saying. If he wants to produce additional information and then question why it is not on, then I will debate it. There is no problem with that and I think that is a healthy debate, but I am simply saying that so the honourable member will recognize it, 15 per thousand is 15,000 civil servants and there is a million population. So that you could figure that out very quickly.

MR. CHAIRMAN The Member for St. Johns.

MR. CHERNIACK Mr. Chairman, that was helpful. I appreciate the Minister interrupting me so that we can clarify that in this number of 15 per thousand of population, no Crown corporations are included. Then the Minister pointed to the 70,000 and speaks of government supported institutions, that would then include Children's Aid?

MR. SPIVAK No.

MR. CHERNIACK You see, Mr. Chairman, it would be helpful if the Minister could indicate to us the categories that are included in the 15 per thousand, and the categories included in the 70,000.

MR. SPIVAK Well, Mr. Chairman, the question is put. The 70,000 would include those people who are funded partially or wholly through government, including school boards, municipal councils, hospitals, the Crown corporations, the whole medical program, etc., that 70,000, that does not include the Federal Government, Mr. Chairman.

MR. CHERNIACK Well, Mr. Chairman, now that we know 70,000, what is the comparable number for the same classifications in 1968?

MR. SPIVAK Well, Mr. Chairman, you see the problem at this point, and I guess the issue that we are going to discuss at this point, I think if it is relevant, is whether the comparable features were important in relation to our effort and our work, whether we are prepared to simply say that there is a standard achieved elsewhere as a result of the experiences there, which in effect means that the standard here is equal, therefore, on that basis there was no need for improvement. We could have, as an example, Mr. Chairman, looked at England, where the figures would have not been 15 per thousand, it would have probably represented 60 percent of the population who were employed. We could have said, "Well, that's a standard to be brought in here." We didn't, Mr. Chairman. We looked at Manitoba, we looked at our economic base, and we believe, Mr. Chairman, that there is a capability of cutting back from the position where we were at, and we simply stated that.

Now the members opposite may feel that other information should be supplied. I accept that that is their right, but I think, you know, it is on the table and it is clear what we have done. We

have looked at Manitoba, we reviewed the other situations, we did not place it in the report, we simply took the basis that we made an approach, we stated that there is an approach. It is another approach to measuring the size of government in relation to Manitoba, and we felt that within the confines of Manitoba, there was a capacity. . . —(Interjections)—

MR. CHAIRMAN One speaker at a time.

MR. SPIVAK . . . for essentially a control of the growth of the public sector involvement in terms of number of employees, and we think that we have been able to highlight that. We think the government is committed to that, and we think we are in the process of achieving certainly a reduction.

MR. CHAIRMAN The Member for St. Johns.

MR. CHERNIACK Mr. Chairman, the Minister has shown us that they gave a comparison on Page 22 between 1968 and 1976 in relation to the government employees per population. That is not a ten-year incidentally, that is an eight-year period of time.

They did that on Page 22, but on Page 23 there is nothing to show that there were not indeed 75,000 people employed in 1968. In other words, they don't even follow their same measuring stick on one page as they do on the other, and then they come up with some ridiculous figure like 20 percent, absolutely meaningless, when we now learn that the hospitals are included in the 70,000, school boards, school teachers, are included in the 70,000. What do we compare that with? Nothing. Why did they say that?

MR. SPIVAK Well, Mr. Chairman, the very obvious thing we are saying is that 70,000 people within Manitoba, within the Manitoba public sector, are financed through taxation, and that is basically what we are saying. That the people of the province of one million are paying for that, that is independent of the taxes they pay for the employees who are employed within the Federal Government, and, Mr. Chairman, that happens to be a fairly important factor.

If the honourable member doesn't think that is an important factor, we of the Task Force thought it was an important factor, and we thought it was a factor to be put in the record so that there would be public notice of this, because all we could foresee, unless there is an attempt to do what we are talking about, is a continual growth, Mr. Chairman, in the public sector, which simply means that the same number of people in Manitoba are going to have to pay more and more by way of taxation to be able to support that growth.

MR. CHERNIACK Mr. Chairman, the obvious stupidity of just doing it that simply is, firstly, you have no comparison with what it was either in 1975 nor in 1968, nor 1960. The fact is that the provision of teaching facilities, and the providing of hospital services is something that I am not sure anybody would want to eliminate, and yet the Minister says, "But they are living off the taxpayer," as if this was some heinous crime. He would rather support an industry that manufactures widgets than he would to provide teachers, because the widget makers are paying the taxpayers that are teachers, the hospital, and providing all sorts of services.

MR. CHAIRMAN May I interrupt the Member for St. Johns and tell the members of the Committee that it is difficult enough to conduct this hearing or this Committee with the Member for St. Johns and the Minister replying to each other without having the Member for Pembina and the Member for Lac du Bonnet discussing whether gasoline is going to be \$2.00 per gallon or some figure higher or lower. They obviously should have been here for Autopac this morning when we discussed prices of gasoline. I ask them if they must carry on a private conversation either to go to the back of the room or outside in the hallway, but please give the person recognized by the Chair some degree of courtesy. The Member for St. Johns.

MR. CHERNIACK Thank you, Mr. Chairman. These farmers, what do they know about widgets?

Mr. Chairman, the point I have been making is that with these superficial statements that are only conclusions designed to justify a bunch of recommendations that have no support and no basis, and more important have no comparison with other provinces, brings me back to the statement made by the Minister when he answered somebody earlier — I don't mean today but a previous occasion — where he said, "Well, this headlong spending we are into is an indication right across Canada where all the provinces" — I think he said all the provinces — "are bankrupt anyway,"

and I am trying to keep some sense of proportion having recognized that he now labelled other provinces, I think all other provinces, as being bankrupt, and he will correct me if I am misquoting him. Then, Mr. Chairman, if that is the case then the bankruptcy extends to civil service per population as well. Therefore, he is not talking about some problem that is rampant throughout all of Canada in the Conservative provinces as well as the NDP and Liberal provinces, and I would like him to clarify because that is the impression that I have received.

MR. SPIVAK Mr. Chairman, certainly Alberta is not bankrupt and certainly it would be a mistake for Alberta to be included, but I must say. . .

MR. CHERNIACK How about Ontario?

MR. SPIVAK I must say, Mr. Chairman, that if one examines the financial positions of the provincial governments, if one examines the long-term commitments that have to be made with respect to pension funds and commitments over the next period of time, one can only recognize that the government's capacity is not within the self-sustaining ability of the provinces but in the expectation and hope that somehow or other the economy will continue to rise in a way that will be able to provide the benefits, be able to pay off the obligations that have to be paid.

Now the question of what factors are responsible for bankruptcy or what are the elements for bankruptcy can be several. I suggest that there is a very logical position that could state that we have lived beyond our means in this country in many respects, that there is an expectation that the next generation are going to be in a position to pay off the obligations, and to pay the commitments that have been made to people who have, in fact, paid into government on the assumption that they will be provided for and that that, Mr. Chairman, from an actuarial point of view I don't think can be supported, and that there is logic to believe that there is a need for a re-examination and an attempt to try to control government growth and its expenditures. The members opposite may disagree. I believe that this is the case.

Now Manitoba is a very small island in terms of the total area of Canada and much of what we do cannot be controlled because of the external factors that influence and impinge on us, but to the extent that I think governments are in trouble, I believe that to be the case, but I have to put the caveat, Mr. Chairman, that the exception, of course, is Alberta.

MR. CHERNIACK Well, Mr. Chairman, I think the Minister has now made it clear, at least I am making this interpretation, that nine of the provinces of Canada are in the same position of being in a financial problem in the foreseeable future, and he is not. . .

MR. SPIVAK Well, I wonder, does the honourable member not believe that to be the case?

MR. CHERNIACK And that means, Mr. Chairman, that he has not shown Manitoba as being different from the other provinces. Here he has refused to give us comparable examples from other provinces, has singled out Manitoba in this Task Force Report, but has just now indicated that with the exception of Alberta, that the other provinces are in the same kind of a financial problem. Now, if he wants to discuss the total picture, then I would say, tear up the conclusions, the misinformation, or the facts that are related here only to Manitoba, put them in a proper context and then let's discuss the future of Canada, and Manitoba is part of Canada. That is not what was done by Mr. Riley and I suspect it wasn't done by this Minister either. I think that that would make a much more meaningful, worthwhile, long-lasting discussion than does the drive which this Task Force has taken in hand.

MR. SPIVAK Mr. Chairman, I wonder if the honourable member would be prepared to indicate what his belief is and what his position is with respect to the financial positions of the Federal Government and the other provinces. He, having been a former Minister of Finance and having attended many Federal-Provincial conferences and is privy to a fair amount of information within the Executive Council that could give him an insight, does he believe that the financial position of governments today are good; does he believe that the financial position of the Federal Government is good?

MR. CHERNIACK Mr. Chairman, I am prepared to carry on that discussion in the proper forum and seriously, I am and I think I have done it before, I think that there is a basic difference in philosophy between Conservatives and New Democrats which just step into the very area of the problem we have and how do we cope with it and we do believe in a planned economy and the

Conservatives believe in complete *laissez-faire* and no participation. But, Mr. Chairman, I will not be drawn into a conversation at a time when we are examining the basis and the credibility of the Task Force Report. That is why we are here. We are not here for the Minister to sit and listen to our opinions, as he volunteered to do on several occasions. We are here to examine the credibility of this report and I believe that it is lacking to a very large extent. I intend to put more questions in that regard. I am, Mr. Chairman, and I inform other members of the committee, especially those opposite me who are certainly anxious to get into this discussion, I am prepared to deal now with Page 24, with statements made by the Task Force, for which I want to press some accountability. I am quite prepared to step back, before I go to Page 24, in case other members wish to take over.

MR. CHAIRMAN The Member for Selkirk, Lac du Bonnet, and then St. Vital.

MR. PAWLEY I defer to the Member for Lac du Bonnet.

MR. CHAIRMAN The Member for Lac du Bonnet.\$

MR. USKIW Mr. Chairman, a moment ago the Minister indicated to the committee that Mr. McCance was on his salary on a contractual basis with the Province of Manitoba since the 24th of October. I have here a statement issued to The Free Press dated November 10, 1977, by the Great-West Life Assurance Company, indicating that Mr. McCance will continue to be on their payroll, unless of course here is going to take on a permanent position or something of a very long duration. So, Mr. Chairman, there is obviously an inconsistency between the statement of the Minister without Portfolio and the statement of the company for whom Mr. McCance has worked for many years and continues to work. I am wondering whether the Minister has any comments about that inconsistency?

MR. SPIVAK Well, no, I don't think that is the case. I think that the information contained in the press report is incorrect.

MR. USKIW Is incorrect?

MR. SPIVAK I believe that to be incorrect because he was employed with the government as of that date. I don't think he was receiving two salaries.

MR. USKIW Mr. Chairman, the Minister wants the committee to believe that the Great-West Life Assurance Company went out of its way to tell Manitobans that they will continue to pay Mr. McCance's salary. Now, why would they do that? The Minister indicated just a moment ago that he doesn't believe that this gentleman is getting two salaries, one from Great-West Life and one from the Government of Manitoba. If, indeed, he is getting two salaries or receiving two salaries, then he is not working for, either part-time during his duties with the Task Force, or he is getting a very high reward for the amount of effort put in.

MR. SPIVAK Mr. McCance worked full-time for the Task Force and full-time for the government.

MR. PAWLEY What about the double salary.

MR. SPIVAK Who says there is a double salary? Well, I don't know about that press report.

MR. CHAIRMAN It could be his employee benefits, the package is carried for him.

MR. USKIW Pretty cushy . . .

MR. CHAIRMAN We should get Sid Green, he's a shareholder in Great-West Life.

A MEMBER That's right, Sid will investigate it for us.

MR. CHAIRMAN The Member for Selkirk or the Member for St. Vital? The Member for St. Vital.

MR. WALDING Mr. Chairman, I have a question or two for the Minister, arising from his discussion with the Member for St. Johns when they were discussing, on Page 22, the number of civil servants, the number of government employees. I believe that I heard the Minister say that in Britain the figure of government employees was 60 percent. Did he say 60 percent?

MR. SPIVAK I'm not sure. I said I believe it to be 60 percent. That is the total people who are

funded by government

MR. WALDING Would the Minister use a microphone; I can't hear him too well.

MR. SPIVAK I'm sorry. What I am saying, without dealing in specifics, I'm talking about the total number of people who are funded through government sources, in the same way that we talk in terms of those people who are funded through government, Crown corporations, agencies, the various institutions in which funding comes from the taxpayer.

MR. WALDING Can the Minister tell us what documentation or figures he has to back up that allegation?

MR. SPIVAK I want to make it very clear that that percentage figure may not be correct. I use that — it may not be as high, it's fairly high, it's pretty high — but I simply indicate that that is one — (Interjection)— No, I don't think so, Mr. Chairman, and I don't want to be held to that particular figure and I want that understood. But the point is that it is a very high percentage. A very high percentage of the people are in fact employed through government sources.

MR. WALDING Mr. Chairman, the figure of 60 percent, according to my rough calculation, would be about 30 million people and that is more than the total adult population of Britain. Is the Minister suggesting that all of the adult population and some of the children are working for the government in Britain?

MR. SPIVAK No, Mr. Chairman, that would be of the total labour force. I'm not talking about the people. That's all referred to here. It was heard on the basis . . .

MR. WALDING Well, Mr. Chairman, the Minister was speaking in the same context as he gives the figures here, that 15 out of every 1,000 people are civil servants . . .

MR. SPIVAK No, I was not, Mr. Chairman.

MR. WALDING . . . and further, he mentioned the figure of 70,000 out of a total population of one million. He gives the figure of 60 percent, just off the top of his head, presumably on the same basis, if he is coaring figures with figures, for Britain, which would come out to approximately 30 million people. Now, is he prepared to stand by that figure or does he have something to back up these figures?

MR. SPIVAK Mr. Chairman, the honourable member can look at Page 22 and Page 23. The reference of 15 per thousand was used in one paragraph, the reference of 70,000, or another 20 percent of the labour force derives their income from the government is shown. The figure that I used, and that figure may be a bit high, I don't know whether that is high, it deals with those who are in the labour force, Mr. Chairman. Mr. Chairman, if somehow or the other the honourable member believes he was misled, I simply indicate that that was not intending to mislead him. I simply say that there is a lot of information that could be placed in the report; it wasn't placed. That was a decision of the Task Force and we just simply placed it as we did here. If the honourable members feels that that is not accurate or it is not sufficient or a greater comparison or more information should have been provided, they are perfectly welcome to be able to say that in the committee and I accept that.

MR. WALDING Mr. Chairman, the point is not whether the members of the committee are making allegations; the point is that the Minister has made an allegation and I will accept his correction. He now says that 60 percent of the labour force in Britain is totally funded by the government. Now, I ask him to back that up with some figures. Where does he get his statistics from?

MR. SPIVAK Mr. Chairman, I withdraw that figure. I am not prepared to back it up; I am not prepared to discuss it. It is not relevant and so, therefore, Mr. Chairman, it is not relevant; it doesn't deal with Manitoba, I accept that. I think it would be far better to deal with that. The question of whether other comparisons from other provinces were relevant is an issue that can be discussed.

MR. WALDING Mr. Chairman, I will accept the Minister's admission that he does not know what the figure is for Britain that he quoted.

MR. CHAIRMAN The Member for Selkirk. If not, St. Johns, then Burrows.

MR. CHERNIACK Mr. Chairman, I would like to get greater clarification on the top of Page 23

where it deals with various levels of government enterprise and government-supported institutions. The 70,000 figure apparently does not include the private agencies that do work completely funded by government. Why not?

MR. CHAIRMAN The Minister.

MR. SPIVAK Mr. Chairman, I can't indicate whether it does or it does not. I believe that if a private agency is completely funded, 100 percent funded, it probably was included in that. But those agencies that are partially funded are not included in that. Then one would ask where the separation is. The working papers on this I do not have in front of me, but I know that the figure itself, when it was examined by the Task Force, was carefully examined and that the individuals who produced that information within the government, particularly within the Management Committee staff, that information was reviewed and the figure represents a pretty accurate summary of public sector involvement, but not really through the private institutions although there are some private institutions which are entirely funded and whose work is really entirely an extension of government. To that extent, I think that they would be included.

MR. CHERNIACK Hospitals are partially funded . . .

MR. SPIVAK No, hospitals are included.

MR. CHERNIACK But hospitals are partially funded not by tax dollars. Hospitals make charges; they have user fees and they have organizations that raise funds for hospital work, women's organizations and others, and yet they are included. I ask, Children's Aid, which I believe is almost completely funded by government — it may receive something from the United Way, I don't know, certainly they would have various fund-raising endeavours — now we don't know whether the myriad social agencies are included or not included in the figure.

I wonder if I could ask whether, let's say the Winnipeg Art Gallery, is that included in this 70,000 or not?

MR. SPIVAK No, Mr. Chairman, as far as I know, not. But I am quite - prepared to try to get that information. I think that that figure is a pretty startling figure and I think that that is something that I'll try to get clarification on.

MR. CHERNIACK Then the Minister is prepared to get that information for us.

MR. SPIVAK Well, I think that the question, because in fact that figure is important, I think, in relation to the total situation in Manitoba, I think there is value. Unfortunately, I don't have the information available; I will try to get it.

MR. CHERNIACK So then the Minister is going to give us a breakdown of this 70,000 people.

MR. SPIVAK No, Mr. Chairman, I'm going to explain how it is made up so that the composition . . .

MR. CHERNIACK But not a breakdown?

MR. SPIVAK No, I don't think . . .

MR. CHERNIACK Mr. Chairman, then let me ask whether the construction firms that do most of their work for governments, are they included?

MR. SPIVAK No.

MR. CHERNIACK Mr. Chairman, we have, I believe in the City of Winnipeg, we have garbage collection done by employees of the city and some contracted out. Does this included the contracted-out people?

MR. SPIVAK I can't say that for sure, Mr. Chairman.

MR. CHERNIACK Well, Mr. Chairman, that is not very helpful. I wonder if the Minister would tell us what else he is not sure of.

MR. SPIVAK Mr. Chairman, I indicated before that I was not prepared to go through this kind

of cross-examination on the part of the member. I don't think that it is incumbent upon me to do that. But the figure itself requires some explanation and I will get that information.

MR. CHERNIACK Do you realize, Mr. Chairman, then, that we are not being given the information which would support the statements made by the Minister.

MR. SPIVAK Mr. Chairman, if the honourable member thinks that this information is not correct, put on the table the information you think it to be. If you think that the figure that is represented is not correct, if you believe it to be less or to be more, put it on the table. You were in government for eight years; you had access to all the information; you can compile all the information yourself. It is not necessary to go through this. The truth of the matter is that you and your colleagues are not prepared to put anything on the table. What you are prepared to do is to try and fudge it up. What you are prepared to do is to try and suggest in some way that somehow or the other the basis on which the government acted was improper, that everything was going on fine, that there was no fat within the government, that there were no problems, that you were exercising restraint and that somehow or the other the taxpayers would not have had to in some way or other fork up more money. I don't believe that that is the case.

MR. CHERNIACK Let the Minister remember that he is here to justify his work. Let the Minister remember that it is not for us to involve ourselves in the kind of game that he used to play when he was a child, when I know he doesn't have an older brother but if he had one he might say, "My older brother is stronger than your older brother," and think that he can get away with supporting the work he has done.

The fact is, Mr. Chairman, that the Minister has to be responsible for what he did. It is not for someone else to come along and give him correct information for him to get involved in that. This is his report. It is the report of Mr. Riley. It is the report of other people. Either it stands on its own feet or it doesn't.

Mr. Chairman, he can say this from today until doomsday, if you don't like it bring your own figures, that is a ridiculous position and an unnecessary one.

Let me tell him that I was not involved in government for some years. I am told that the government was going through a process of restraint and of reduction in expenditures. I don't know whether they were or not, it is not for me to say. It is for him to say and for him to prove. And, Mr. Chairman, it is not enough for him to say, "I will not give you a breakdown of the \$70,000, go get your own figures." It's go play in your own little sand lot. If that's the kind of game he wants to play he won't find very much company in that kindergarten that he wants to operate.

Mr. Chairman, he has already made it clear that he is not sure of the basis of his figures. He has volunteered now to give us information as to the nature of the people who were included in the \$70,000, but he is not prepared to tell us how they're broken down.

I gave him the comparison that seemed to — well one of the things that stymied him — when I asked him whether they included the garbage collectors who were on contract as compared with garbage collectors who were on salary. He's not sure whether they're included or not. I would then have to ask him whether it makes any difference whether they're on contract or on salary, from the standpoint of his exercise.

MR. SPIVAK Mr. Chairman, I certainly can't be expected to know every detail of the report and the assumption that somehow or other I can be in a position to simply satisfy any kind of questions on any subject. We understand, I think that's very clear. The Task Force Report itself is in front of the honourable members. They are perfectly able to make a judgment as to whether they want to support the salary of the Minister or not and my guess is that they don't, but that I understand.

I am going to try and get information. I am prepared to try and deal with it as best I can. I can't answer every specific question off the top of my head. But I am not going to, Mr. Chairman, get myself involved in a situation where somehow or other it's necessary to prove every statement, whether the honourable members believe it in the case or not. That would be, I think, a futile exercise with respect to the Task Force responsibility. I have tried to indicate that I will attempt to show that figure. I think that figure is fairly significant and I think when I obtain the information, if I can obtain it tonight, I will put it on the table. I think that the record will stand. If not I'll certainly produce it at the next reading. That's all I can say, Mr. Chairman.

The honourable members can continually debate whether this is included or that's included. I'm

not in a position to be able to give that at this point.

MR. CHERNIACK Well, Mr. Chairman, of course the Minister can't be expected to have all the backup material available at his fingertips. It is available, I assume.

But, Mr. Chairman, I asked a question which is not related to his knowledge but rather to his opinion. I asked him whether there was a basic difference between employees who work on contract who may be excluded from this group and those who are employed on a salary and are included; whether from the philosophy of government cost there's any difference.

MR. SPIVAK No, Mr. Chairman, they would still be funded by the taxpayer and they still would be included within this.

MR. CHERNIACK Well then, Mr. Chairman, on that basis I would think that a contractor whose major work is for governments — that is municipalities, school boards and provincial government — are being paid out of taxpayers' moneys.

MR. SPIVAK I have no doubt that the public sector involved in our economy is very substantial and that if one was to include all the numbers that are affected directly or indirectly by public funding, that the numbers could be added to a much greater significant number.

But these are sustaining costs, Mr. Chairman, of people who are employed essentially by organizations which are almost fully funded by the government — either fully funded or almost fully funded — and they include the Crown corporations, the Civil Service, the hospitals, the school boards, the municipal councils who receive funding and I want to stop there, Mr. Chairman, because I'm not in a position to go beyond that until I look at the information.

I think if one looks and thinks in terms of the numbers of people — and I think you can almost make some estimates from knowledge of how many are involved in the health field, how many are involved in the school board field who are financed — you can make a deduction with respect to that \$70,000 pretty close.

But it doesn't include, Mr. Chairman, those who may very well have received a government contract, who are doing work for the government with whom the taxpayer has some relationship because he's paying for it.

MR. CHERNIACK Well, Mr. Chairman, I'm concerned about the relevance of the statements made on Page 23. If the statement is being made that government plays a very large role in the economy of the country, I don't see any argument about it. But if the use of the figure of 20 percent is an indication that it's too much, then I do want to discuss that. Now maybe the Minister will make it clear whether that is intended to mean, that's too much, or whether that's intended to mean, "Hey, fellows, we have a great deal to say in the economy of the country by the amount of people involved and providing services in this way and therefore we have a more important role to play," I wouldn't want to debate that because I think that's obvious. But is that supposed to show us that it's too much?

MR. SPIVAK Mr. Chairman, it's to indicate the fact that government is a major employer, is the major employer, is the single biggest employer in the province; and that, Mr. Chairman, government's revenues are dependent on the taxation that is exercised against those who are the taxpayers, whether individual or corporate. That without a growth in the economy the taxpayers will have to pay more or the government will then have to mortgage the future. That in examining the commitments that are made to those who are your employees, because government is the single most important employer and the greatest employer in the province, there is a need now to try and put things into some balance on the basis that there will be a point where it will be impossible, without a self-defeating purpose being achieved, to tax the taxpayers to any greater extent, and in turn there will be a limit to the capacity to borrow. On that basis governments, literally, will become bankrupt in the same terms as New York.

That potential did exist and does exist for Manitoba. The honourable member may not believe that to be the case. The Task Force believes that to be the case and therefore the factors that were mentioned are mentioned as indicators of the concern and raising the flag that's necessary in an attempt to try and recognize the limitations of our capacity; because, Mr. Chairman, if in fact taxes become too high the taxpayers will leave this province and in spite of what the honourable members think, government cannot pick up the slack. The inability of being able to raise revenues will simply mean that a mortgaging of the future will have to take place. and we think there are limits to that.

Now you know, this goes back to basic philosophy and the honourable members, I don't think,

believe this. The reason for the reference to the figures is to indicate this and indicate what was believed to be an important change in direction that had to be taken.

MR. CHEIACK Mr. Chairman, now that we've heard this speech, it seems to me we ought to first recognize that the Minister has not said that 20 percent is too much. He just said that 20 percent indicates that it's important. But when he talks about leaving the province, it's the same kind of talk that has been going on from his party for some time and yet he wasn't even prepared to indicate where they will go because he's already said the other eight provinces, excluding Alberta, are bankrupt. So where will they go if we're heading in that direction? I'm not saying we're not heading into a serious direction and we must study it carefully; but if the Minister and his Task Force wanted to have a balanced presentation so as to garner the support for their endeavours — or their stated endeavours — which would be believable, then they would have done a much better job in giving the full perspective. I deplore the fact they haven't done so.

For example, I am not sure that he makes his point when he talks about this 20 percent or the \$70,000, when he's already told us that includes a number of Telephone System employees, and when we know very well that those employees who work for Bell Canada in the eastern part of the country are not included in comparable figures. So what is he showing that way? Nothing. They are not being paid by taxpayers. They are just the same kind of employees, indeed, as are the employees of Ma Bell, or of Great-West Life somebody suggested, they are providing a service, then it's not helpful to use this kind of slanted information to try to be pejorative about it.

MR. CHAIAN The Member for Burrows.

MR. HANUSCHAK Yes, Mr. Chairman, one question with respect to the number of persons in Manitoba on the public payroll. One group, one large significant group that the Honourable Member for St. Johns made reference to, the refuse garbage collectors, those on civic payroll as it were as opposed to those working for contractors whose main source of revenue, of course, is the public purse — funded in whatever way, municipally or provincially or through a combination of sources. Another large group, Mr. Chairman, that I'm interested in is, I would suspect that in the Province of Manitoba there must be somewhere in the order of 1,500 school bus drivers, at the very least. The Minister of Education is here sitting on this committee. I would think that there must be at least that, some working full time, some only working half-time and I wonder whether those are included and if the half-time employees are counted as full-time employees because that would certainly inflate the figure considerably. Anyway, that's one question that I wish to ask him.

What concerned me most, Mr. Chairman, is that once again tonight the Minister is attempting to apply the reverse onus principle which he has attempted to do since this committee started meeting. That is to say that here are the Task Force committee's recommendations, observations, conclusions, and if any member of the committee has evidence to the contrary to disprove that, let him lay it on the table.

Well, Mr. Chairman, it is not up to us. The onus does not rest upon members of the committee to disprove statements that he makes but the primary onus rests upon him to bring in the facts and figures in support of the recommendations that he made, and that was the purpose of the Order for Return asking for the background information to the Task Force committee's recommendations, which it does not have.

Now, you're quite right, Mr. Chairman, that we are here debating the Minister's salary and that the Task Force Report is only incidental to that. However, I suppose we have to examine his past record from April 24 to March 31, and on that basis establish some judgmental opinion on what we think his performance may be in the fiscal year that we have entered into at the present time. I do not wish to interfere with the debate that's in progress at the moment, but to prepare ourselves for discussion of the Minister's role and function during the 1978-79 fiscal year I would like to ask the Honourable Minister one question.

You will recall, Mr. Chairman, that the Task Force Report was tabled before the end of the last fiscal year. At that time the Minister did indicate that the Task Force was disbanded. There were a few left around him, I don't know who, but for all intents and purposes the Task Force was disbanded. So, obviously, Mr. Chairman, the Minister without Portfolio who was responsible for the Task Force on Government Reorganization and Economy is no longer acting in that capacity because there is no Task Force.

So in considering his salary for the current fiscal year, perhaps, Mr. Chairman, it would be advisable if the Honourable Minister — and now I'm asking him because he is placing the onus upon us so I am asking him now — if the Honourable Minister would indicate to us what his role

and function will be in Cabinet, what he thinks it will be during the year 1978-79, because as opposed to the Ministers responsible for line departments we know very little about what his role and function will be other than what has been reported in the Manitoba Government Information Services and in the press that he will be Vice-Chairman of Management Committee, and I assume that the Vice-Chairman acts only in the absence of the Chairman, so when the Chairman is present, I really don't know what this Minister's job will be in this fiscal year. Perhaps to assist the committee in properly debating his role and function in Cabinet during this fiscal year if he could take a moment or two and inform us of what his job will be in Cabinet.\$

MR. JOHNSTON Mr. Chairman, I would like to suggest that. . .

MR. CHAIRMAN Is that on a point of order or something?

MR. JOHNSTON A point of order, yes.

MR. CHAIRMAN I keep a list of speakers.

MR. JOHNSTON Well on a point of order, I would like to suggest that the Minister's role will be decided by the Premier and I think that's 1.(a).

MR. CHAIRMAN The Member for Selkirk is the next person on my list.

MR. PAWLEY Mr. Chairman, if I could just return to the graph on page 18 showing the increase in total expenditures 1968 up until just recently during the ten year period. The Minister indicated he was doing that for reasons of convenience rather than for reasons pertaining to politics. I would ask the Minister then, so we can obtain a fair balance, to know whether or not there was anything really out of proportion during that ten year period if he could advise us what the total expenditure was ten years prior to the commencement date of the graph. If the Minister is not sure of the figure I would like to suggest to him that that figure was roughly in the neighbourhood of \$80 million in 1958 and that the increase over a ten year period from 1958 to 1968 was about four times over, as it has been during the ten year span 1968 to 1977.

I think that if the Minister had attempted along with his co-chairman, Mr. Riley to indicate that information in the Task Force report that it would have demonstrated a desire to present a fair and a balanced report. But I believe the Minister would have to confirm and concur with me that if the ten year period prior to 1968 had in fact been taken, that the commencement date figure-wise would have been in the neighbourhood of \$80 million so that there would have been an increase, if the graph was shown from 1958 to 1978, the increase would be similar, similar in proportion as the period from 1968 to 1977.

MR. CHAIRMAN The Minister responsible for the Task Force.

MR. SPIVAK Mr. Chairman, with respect to the \$70,000 and I only have part of the working papers but I think I'm in a position to indicate it would include the civil servants, the term employees — that is within the civil service itself, the Crown corporation employees, those employed in the school division both teachers and non-teaching staff, those employed in universities, the employment in hospitals that are funded by MHSC and municipal employees

MR. WALDING That doesn't include doctors.

MR. SPIVAK No.

MR. PAWLEY I would just like to pose a further question to the Minister if he in fact is taking my question as notice or whether he agrees with the figure which I used for the 1958 period of approximately \$80 million. I would also point out to the Minister that in that period 1958 to 1968 as far as rebates are concerned, the only rebate that I can recall of moneys which were paid out of those revenues collected, government expenditures, were in fact the so-called Roblin Rebate which was paid over a two year period. From the period 1968 up until 1977 we had the Property Tax Rebate, we had the Cost of Living Rebate, we've had Medicare which were included in the figures plus inflation so that, in fact, the period 1958 up to 1968 the Minister wants to deal with, and I'm again not suggesting that there's anything particularly wrong, but the Minister if he wishes to present a fair and balanced report should acknowledge that and during that period of time there certainly wasn't the emphasis upon pay-back and various programs of rebates that there was during the most recent ten year period.

MR. SPIVAK Mr. Chairman, the honourable member has made a comment. The fact is that the

most rapid increase in gross provincial product in the past decade took place between 1972 and 1976 and provincial government expenditures went up as shown here by an increase of 21 percent in the fiscal year ending March 31' 1970 and they escalated from there on in. To a certain extent they were transfer payments which is literally what happened. Taxes were paid and people were given rebate programs which is really a transfer back on the basis that this was a form of progress activity and that in effect it was a program in which certain objectives were to be achieved, but the taxes still had to be raised from the taxpayer. The money still had to come from somewhere.

MR. PAWLEY The difficulty, Mr. Chairman, with the comments by the Minister, he selected from the last ten year period the years 1972 to 1976 after indicating to us earlier that for the graph he deliberately chose the period from 1968 to 1977 so that it would show a better picture and it was felt on his part that that was a more reasonable picture. What I would like to do so we could have a more reasonable picture and understanding of what has happened during the past ten years I would like to compare that in relationship to what happened in the ten year period immediately prior to the last ten year period. I'm not interested in picking out four years and saying well this is where things really went wild. I'm trying to play it by the Minister's rules and accept a ten year span and I'm trying to draw the Minister's attention to the ten year span 1958 to 1968 in which the expenditures increased, from my understanding — if the Minister wants to challenge my figures he can certainly do so, but I understand the expenditures increased from approximately \$80 million in 1958 to — the Minister has the figures here of \$350 some million in 1977, so that the increase is about four times, approximately the same rate of increase as in the period 1968 to 1977, despite the fact that there's been a hell of a lot more transfer payment and payment back to the taxpayers during the past ten year period than there was during the so-called famous Roblin period of time. So considering balance and fairness of comparison I don't believe that this graph on page 18 demonstrates anything, Mr. Chairman, except that the trend has increased in pretty well the same relationship from 1958 right up until 1977. Now if the Minister disagrees, I wish he would so indicate but I do believe that all that this graph indicates is that the rate of increase from 1968 to 1977 is comparable, is similar to the rate of increase from 1958 to 1977 which, playing by the Minister's rules, is a fair span of time in order to make comparisons.

MR. SPIVAK Mr. Chairman, we could have, I guess, gone through what I would consider the academic exercise the honourable member wants us to go through and I have to indicate that if this was a university it's conceivable that in presenting it that was what would have happened. However, our situation was we had to deal with the proposals for recommendations for both changes in programming and for an over-view with respect to the management government and suggested changes with respect to the central management and the whole question of dealing with the merit system within the Civil Service, accountability, etc. and we did this on the basis of the past period of time. We did this on the basis of the most important growth that occurred in reality in the last decade both in terms of numbers of people involved either affected through programs or involved in the carrying out of programs and a number of program changes that occurred and in the dollar rise that it occurred and the need in our opinion to examine the whole process of central management, and that's what our objective was. Our objective wasn't to accomplish what the honourable former Minister would like us to have accomplished. That may very well be an exercise that will be done by others who will talk about the so-called Schreyer government and the so-called Schreyer period. Our object, Mr. Chairman, was to try and deal with an immediate situation and to try and come up with recommendations and we dealt on that basis.

We could have presented many kinds of options. We could have presented substantially more information if that was necessary. We made selections on the basis of trying to really deal in as simple as we can with our basic suggestions for improvement with respect to the central management and the operation of government and we think that we made certain approaches that are fairly important with respect to central management and that's all. The honourable member would like other information to be brought in, he would like our position to be shown in his sort of words, we would like other things to have happened. That's fine, he certainly would like that and maybe he'll want to write that, maybe that would be a document he should prepare, I'm not denying that, let him prepare that, we didn't.

MR. PAWLEY Mr. Chairman, all that I'm really posing to the Minister is a question which he can answer, I think, without too much debate, whether or not the increase in expenditure during the past ten years is out of proportion to the increase which existed in the ten year period immediately prior to the past ten year period. If that is an academic exercise, then certainly the Minister's graph on page 18 is an academic exercise. You know the problem as I see it, unfortunately with the Task Force, and the Minister is really dramatizing it right now, is that it's fine and dandy when

we talk about government fat and inefficiency to look at the so-called Schreyer years, but let us not go back and compare the so-called Schreyer years with the so-called Roblin years, that's taboo and all that I'm requesting the Minister to do is to confirm what I think is the obvious, the obvious. He's agreed with the figure that I used for 1958 that the rate of increase 1958 to 1967 is comparable, is similar to the rate of increase in total government expenditure 1968 to 1977. Now, either the Minister can agree or he does not agree and when I can obtain a clear-cut answer from the Minister then we can go on to the next subject.

MR. SPIVAK Mr. Chairman, I don't think I have to agree with the figures or not, I'm not sure the figures are accurate but I'll assume for the sake of the presentation that they are. The most relevant information that was presented was the fact that there was (a), a deficit that was going to be occurring this year, that the projections if a 20 percent increase in Estimates was to proceed, which is substantial — well if we look at the averages the last four years, what I'm simply saying is that's the relevance of the last decade and the last period of time. The fact is, Mr. Chairman, if the rise in Estimates would have been as the average of the last four years, we would have had to add another \$200 million to the deficit for this year. Now, the members opposite have to understand that, we're dealing with this year and we're dealing in this period of time and there is reference to the historical situation, but the reality is that we had to deal with the position as it was and we took the last decade as being a reasonable period touching base with the former government, that is the previous government before the Roblin government as well as the Schreyer government and we placed them that way.

We could have presented it in other ways, but I think the relevant information and this I think is really the important thing, is to look at what happened in the past situation, to deal with what the deficit position was going to be, to recognize that there is a factor involved as to the degree of taxation that can be levelled directly or indirectly by government with respect to the taxpayers, and the need, Mr. Chairman, for restraint and for some new approach with respect to central management so as to be in the position to be able to make valid judgments on correct information, if I can apply the words of the Member for Winnipeg Centre, and for that reason we based it on the immediate situation because that is what we really were dealing with. We were not presenting an historical document, Mr. Chairman.

MR. CHAIRMAN The Member for Selkirk.

MR. PAWLEY Mr. Chairman, I wonder if the Minister had eliminated the \$200 million which has been paid out by way of property tax rebate and by way of cost-of-living rebates. I assume that those figures are included in his graph on Page 18. If, in fact, he would not then acknowledge that in fact the rate in relationship of growth during that ten-year period would be — I know the Minister doesn't want to deal with historical perspective because he has imposed upon himself blinkers, but certainly it's the same period; it's a historical ten-year span — if it would not be even more favourable than the ten-year period prior to 1967-68.

MR. SPIVAK I know what your approach is; I have tried to indicate that. We did not prepare a historical document; we prepared an immediate document dealing with the immediate situation, dealing with the past rises in expenditures and the growth of government. We were not dealing with an \$80 million budget; we were dealing with a budget of a billion 600 million.

So, Mr. Chairman, the honourable members may want to approach it in a different way, that's fine. We approach it on the basis that we had to deal with the immediate situation. We had to look at what had happened in the past; we had to look at what would likely have happened in the future based on the past and then make some determination whether there were changes that could occur .

MR. PAWLEY Mr. Chairman, I would just like to make a comment at this stage, rather pose further questions. The purpose of my questions, and questions of members on this side, has been to demonstrate — and I believe it is being demonstrated — the bias that exists within the Task Force in the preparation of this document. It is certainly not a historic document, as the Minister has indicated. We are not asking that it be a historical document but what we are asking for is information which will demonstrate whether we are out of line with other provinces; whether we are out of line with the period, a reasonable period of time. When he takes one ten-year span, whether we are out of line with the previous ten-year span. It's not an unreasonable position to place to the Minister. But he wishes us to work within very narrow, very rigid confines that serve his particular purpose.

So that, Mr. Chairman, the technique and the methodology that has been used here unfortunately

has been one that has been pursued under the handicap of a political burden; a burden to try to justify the position of the Conservative Party prior to the October election, 1977. Otherwise the Minister would be all too happy to attempt to relate to the information as to time-wise, as to other provinces. It would be shown clearly in the document before us. And I regret very much, Mr. Chairman, that that bias is being demonstrated throughout this document and certainly by the spokesman for this document on the part of the Minister tonight.

MR. CHAIRMAN The Member for St. Johns.

MR. CHERNIACK Mr. Chairman, I pause just to give an opportunity to my colleagues from the Conservative Party to respond to what Mr. Pawley said. It was the Minister who said, "Lay it on the table."

Now, Mr. Chairman, Mr. Pawley just laid a simple thing on the table: \$80 million in 1958. Now, Mr. Chairman, that figure, related to 1968, is even greater than the 1968-78 figure and I think that members should be aware of the fact that the Conservative Party rode in on a statement of fat; rode in on a statement of mismanagement; and rode in on a falsehood in that respect. The Conservative Party made allegations which they have not proven. They have talked here about increases in proportionate costs. And, Mr. Chairman, I recognized they were increases, there is no doubt in the world that there were increases and there is no doubt that there were increases all over the world. And for the Conservative Party to take the position to make it appear as if this was something unusual is false and is dishonest, and to perpetuate it is a disgrace.

Now, it so happens that has been mentioned before, we've been through eight departments. What was the Minister's reaction when he saw that the Minister of Health, who is responsible for about 40 percent of the total budget, make a statement something to the effect that the previous government ran a tight ship in that department?

You know, Mr. Chairman, I heard the Minister say he didn't say that. I wasn't there and neither was he, but I haven't checked Hansard. The fact is that in those Estimates that I have listen' ed to I have found Ministers come in a forthright manner and admit that they have not found fat, that they have not found mismanagement. But this Minister, who was given a job by the Premier; go out and prove that what we said during the election campaign was true; go out and prove it and bring in a couple of people who appear to be objective, give them the information on which they will have to support you in that case.

Now, the two graphs shown on Pages 18 and 19 are a very good example of the kind of distortion that the Minister is doing in carrying out his hatchet job. The only thing is that the hatchet was applied to programs and applied to people, and applied to salaries and to incomes of people but the hatchet was not done to apply to fat, and the hatchet was not done to apply to mismanagement.

Mr. Chairman, I have to tell you that I have no way of knowing really whether or not there was some fat, but I believe there had to be some in every operation of that size. I didn't know whether or not there was mismanagement; I believe there had to be some in any operation of this size. But the Conservative Party talked about fat and mismanagement to such an extent that I was almost ready to believe that what this Task Force would come up with would be something horrendous, and I use a word which is a word that the First Minister used — horror stories. We haven't heard them, Mr. Chairman. But when we look at this Task Force Report — I won't even, at this stage, quarrel with recommendations. I have not quarreled with the stated purpose and the need for the Task Force to work; I quarrel with the bias that is evident from the very day that the Task Force was set up. And the Member for Selkirk, who was asked to put it on the table, did put it on the table, and showed that an honest to goodness presentation of Graph 2 on Page 18 would have gone back to show that in the previous ten years there was more or less the same increase, proportionate increase, in the graph. And that would then have given the proper perspective and would have thrown out the statements that are made in the report itself that would seem to indicate that all the troubles occurred in the last five years.

The graph on Page 3, the Minister has not yet had the good grace to admit that it's an unsatisfactory graph. It can't be false because it doesn't pretend to . . . Well, it is false because the profile it gives is absolutely false not only in the sense that it makes it appear as if government expenditures are greater than gross provincial product, which is obviously impossible, but the rise, the proportionate rise, is not accountable because there is no line showing the left-hand graph.

Now, this is carried forward throughout the report and that's why we have a right to challenge the bias, have to challenge the honesty of the presentation.

Mr. Chairman. I do want to go now to Page 24, and I asked this question of the Minister quite awhile ago. The way I read the first paragraph it would seem to indicate that the Task Force wanted the reader to believe that the Provincial Auditor co-operated in the preparation of the projections for the year ending March 31, 1978. He didn't answer that, and I would like to know: Is that the intent of the Task Force?

MR. SPIVAK No, that was not intended that . . .

MR. CHERNIACK You see, Mr. Chairman, it was not intended and yet anybody reading this will see that that's clearly what it says. I know it was false . . .

MR. SPIVAK No, Mr. Chairman, on a point of order. The Task Force Report reads as it says. If the honourable member has interpreted it that way, I have tried to indicate that that was not intended. I read it differently than he does and I think others can. I don't think it's necessary to get into debate as to whether he thinks it should be read one way or I think it should be read another way. I am trying to, for the record, indicate that that was not intended. If he reads it that way, I am sorry and that may very well be the fault of the way in which the wording was placed, but let the record show that that was not intended.

MR. CHERNIACK Well, Mr. Chairman, I appreciate that statement because the statement as it stands is not true. It is dishonest.

MR. SPIVAK No, Mr. Chairman. I want the record to point out, because this is a constant reference on the part of the Member for St. Johns who continually uses the word "dishonest". There can be an interpretation given by him as to certain facts or a certain statement, and I can give an interpretation, and I don't think it necessarily follows that the statement is dishonest. The problem with the honourable members opposite is that they don't know what honesty is all about, and they didn't know it during the period of time of their administration with respect to the presentation of their financial position, and they are not prepared to accept what was in fact a proper interpretation at the time that we took over government. And one of the things that has been constant in the debate that has occurred is for them to put on the table what that information was, if they say this information is incorrect.

Now, I have tried to indicate, Mr. Chairman, that this is an interpretation that could be given. I accept that the honourable member has taken that interpretation. I have not quarreled with whether that interpretation of his was taken honestly or not, but I suggest, Mr. Chairman, that that doesn't mean that the statement is dishonest. I read that differently than he did, but if in fact he interpreted it that way, I said that was not intended and it may well have been that the wording should have been altered and changed so as there could have been no question about it. But that doesn't in itself, Mr. Chairman, mean that it's dishonest.

MR. CHERNIACK Mr. Chairman, you may be learning from the Minister what is a point of order; I don't know if you are really doing it but that's his indication.

Mr. Chairman, anybody reading this who knows anything about grammar, or even common English, would know that it says that the new government instructed the Department of Finance, in co-operation with the Provincial Auditor, to prepare an interim report on the financial position of the province for the six months ended September 30, 1977, as well as projections for the year ending March 31, 1978.

Mr. Chairman, I don't know who can interpret this any other way than to say that the Department of Finance, in co-operation with the Provincial Auditor, were instructed to prepare an interim statement as well as projections.

Now, I knew it wasn't true. How did I know it wasn't true? I read between the lines in that six-monthly statement that was issued by the Minister of Finance, and I didn't think that the Minister, who is appearing before us, would want to continue what I say is a dishonest statement. It may not have been intended to be dishonest but, Mr. Chairman, it is dishonest.

MR. SPIVAK Mr. Chairman, again for the record, I read that as, "The Department of Finance, in co-operation with the Provincial Auditor, to prepare an interim report on the financial position of the province for the six months ending September 30, 1977, as well as for the Department of Finance for projections for the year ending March 31, 1978."

Mr. Chairman, that was what was intended. Now if in fact the interpretation of the honourable

member —(Interjection)— Well, Mr. Chairman, I interpret it as saying what I said: I think it could have been said more explicitly but the question of whether that interpretation of my interpretation is correct is not really a question of honesty. If he suggest that, in his opinion, it is a misleading statement, I accept that but for him to question the honesty of the statement is another issue.

MR. CHERNIACK Mr. Chairman, I really don't mind his interruptions too much but I don't think they should continue. I said it is not an honest statement, and it isn't. I didn't say he was dishonest because I gave him the opportunity immediately to disassociate himself from this statement and to give a correction to it. Mr. Chairman, the statement is dishonest.

MR. SPIVAK Mr. Chairman, I am not disassociating myself from the statement; I am saying that the statement could have been given possibly in greater clarity but the statement itself stands and I believe it can be interpreted very directly as saying what I just said before.

The Member for St. Johns may take a different interpretation; that's his privilege.

MR. CHERNIACK That's what I said all along, Mr. Chairman. I claim that this is a dishonest statement, and I stick by that. I believe that anybody who understands English will understand that that's it.

You know, Mr. Chairman, if the Minister had had the good sense — I said good grace earlier, now I say good sense — to admit that the graph on Page 19 is wrong and phoney, and incomplete, all right then we would stop talking about it. I am now prepared to stop talking about the first sentence on Page 24, but, Mr. Chairman, I claim that it is part of the bias that gave them the opportunity to give misinformation.

Now, I would like to ask the Minister, who now says that the deficit . . . I am looking at the third paragraph, the current account and revenue division deficit originally forecast at \$25 million, including supplementary estimates, was projected to reach \$129 million for the year. May I ask the Minister when he discovered that that \$129 million figure was not correct? That is that it would not be \$129 million; when did he learn that?

MR. SPIVAK Mr. Chairman, I am prepared to answer the questions of the Member for St. Johns when he finishes; I am not going to go by a cross examination, I indicated that before. Let him proceed with this particular section and at the time he has concluded I will then answer the question.

MR. CHERNIACK Allright, , Mr. Chairman, the next sample says:"At the same time direct budgetary Capital expenditures were forecast to exceed related revenues by \$96 million. Would he explain what is meant by "related Revenues"? What related revenues are there in relation to the Capital expenditures that makes it appear that it was bad budgeting or deficit budgeting, to raise Capital expenditures that way?

So, Mr. Chairman, we find that they come up with a total, this is a new sentence, Mr. Chairman, "In total, the combined deficit for 1977-78, was \$225.1 million."

Mr. Chairman, this report is dated March 31, 1978. I don't remember when it was presented in the House, but I am suggesting that the Minister knew by that time that these figures were not correct, that is, that the projection was made — I don't deny that the projection was made but that the projections were wrong. I would like to know from the Minister, when did he know that, when did he learn that?

MR. CHAIRMAN Has the Member for St. Johns concluded?

MR. CHERNIACK Mr. Chairman, I thought that the Minister would respond. The fact is that he has made a statement here . . .

MR. SPIVAK Mr. Chairman, I will respond. When the Task Force commenced its operation the information in front of it was the information that was available and is in part contained on Page 24. That was the basis on which they undertook their task and the information as presented is accurate as to the information that was available for discussion purposes at the time, the strategy had to be worked out with respect to the report and the undertaking had to be completed.\$

The situation did change, it is obvious that it changed. The information was supplied to the House. I can't give the details as to what time I was aware of that, I really can't tell you that, but I can say this, that that is an accurate statement of the financial position and the projections that were made at the time that the Task Force commenced its operation and the actions that flowed

on the basis of the fiscal situation at the time. The fact that conditions altered and changed may be of significance to the honourable member, but in terms of the work that had to be undertaken on the Task Force and the basis on which the Task Force had to operate, it was based on that. There were a number of recommendations of the Task Force that were incorporated that were responsible for part of the savings that occurred. The honourable members have talked about a reduction of \$11 million with respect to the deficit but what they don't accept is the fact that that reduction was a net reduction. The reduction was substantially higher and had the cost escalation continued as it was increasing at that time, without the restraint program being exercised, it would have been substantially higher and any new revenues or moneys that would have been coming from the Federal Government, as a result of change in forecasting, would have been eaten up.

In addition, the Capital expenditures were in fact controlled as a result of recommendations from the Task Force, which in fact were accepted by Cabinet. So, I can say very clearly, Mr. Chairman, that with respect to the information that the Task Force had at the time it commenced its operation, that is an accurate statement of the information available to them. It was on the basis of that that the Task Force undertook its responsibilities. And that is a statement that reflects the position at the time.

The honourable members would like us to now say we should reflect the position after the restraint programs were organized, after the work of the Task Force was undertaken, and that should have been put in as the basis on which the Task Force undertook its responsibility. But, Mr. Chairman, that wasn't the case. When the Task Force commenced, this was the information it had available and it is contained in the Report.

MR. CHERNIACK Mr. Chairman, the Minister has said to us, "Put it on the table." He has made allegations and claims now for all kinds of savings. Will he put that on the table?

MR. SPIVAK Mr. Chairman, I am quite aware of the kinds of activities that were being undertaken by the former government and the kind of control that it exercised and the failure of their restraint program, notwithstanding the remarks that have been made in this committee room. I simply say that it is my belief, and I think I can support that, that had there been a continuation of the program, there is nothing on the track record of the previous government to indicate that in any way they would have been able to control. As a matter of fact, there is a great deal of information that would indicate that they weren't even aware, or very few were aware, of the true financial position prior to the election and that in effect, if they were aware, that they hadn't taken the course of action. They had talked about a 10 percent reduction and I have heard it before, Mr. Chairman, but the fact is that they didn't have the will or the desire or the ability to be able to implement it. They talked in terms of reduction. The First Minister talked about the fact that there could have been a reduction in Northern Affairs of maybe 100 employees. He acknowledged that maybe there could have been that reduction but the fact is that it didn't take place. And the fact is, Mr. Chairman, that there were benefits. The members opposite have indicated that somehow or other, if they had been in government they would have taken over, there would have been the additional revenues that would have been forthcoming; they would have continued on as they had and there would have been no problem. I don't believe that that would be the case.

But certainly in terms of the accuracy of the position, this was the position. And I say again to the Member for St. Johns and there are other members of the Treasury Bench who are here, if the information of \$225 million as at the time that the new government took over is not correct, you were in government, you had the information, put it on the table as to what that information really was. Don't start talking about the possibilities of some additional changes that may have occurred in three or four months. You simply indicate that this projection was not correct, that that projection should have been \$150 million, \$175 million; you tell us what it should have been. You were in government; you gave it up on the 24th. I am saying to you that at the time the Task Force commenced its operation those were the figures that were available to them, those were the projections and it was on that basis that they carried on their program.

MR. CHAIRMAN 1.(b) — the Member for St. Johns.

MR. CHERNIACK Mr. Chairman, I want to remind the Honourable Minister that I was not in government and I do not have the figures.

MR. SPIVAK There are other members of the Treasury Bench here.

MR. CHERNIACK Mr. Chairman, would you please tell the Minister that I listened to him as quietly

as I could. Mr. Chairman, it is all very well for him to scream about, "Put it on the table." I want to draw to his attention a couple of statements he made. One is that at the time the strategy had already been worked out. A very significant sentence: "The strategy had already been worked out." I wrote it down as he said it.

MR. SPIVAK The strategy of the Task Force . . .

MR. CHERNIACK Mr. Chairman, would you tell this Minister to keep quiet.

MR. SPIVAK Mr. Chairman, on a point of order.

MR. CHERNIACK On a matter of privilege.

MR. SPIVAK No, on a point of order, Mr. Chairman.

MR. CHAIRMAN Just a minute. A few moments ago the Member for St. Johns was speaking. He stopped and he waited about 30 seconds for a reply from the Minister. The Minister hadn't replied. I am sure that the Member for St. Johns was in a state of shock at that particular moment. The problem between the Member for St. Johns and this particular Minister is that they both seem to want to talk at the same time and be quiet at the same time. It is not very easy to conduct this committee with you two persons at it. Perhaps it was easier when the Member for St. Johns sat up nice and close here, but he is not there.

MR. CHERNIACK Mr. Chairman, the record will show that I have not spoken except when you said, "The Member for St. Johns."

MR. CHAIRMAN That is true, but a few moments ago, the Minister was quiet and you were in a state of shock waiting for an answer.

MR. CHERNIACK But the Minister, nevertheless, has been interrupting me.

MR. CHAIRMAN Unfortunately, sometimes he wants to give you the answer rather quickly.

MR. CHERNIACK Now, he raised a point of order.

MR. CHAIRMAN The Minister, on a point of privilege.

MR. SPIVAK Mr. Chairman, on a point of privilege, the member said that the strategy was undertaken, or words to that effect.

MR. CHERNIACK Had been worked out.

MR. SPIVAK Yes, it was worked out. It was worked out by the Task Force, that is, the strategy of the Task Force, the strategy of the review teams. Yes, Mr. Chairman, I was talking about the Task Force, and that's all I said and I think that the record will show that and I simply ask the honourable member to refer to Hansard when it is printed.

MR. CHERNIACK Mr. Chairman, I won't quarrel with that. He said the strategy had been worked out and that meant that they were going blindly ahead regardless of what new information they acquired. To me, that is what it meant. You see, Mr. Chairman, he is prepared to make broad statements. He made the statement — I didn't know whether it was true or not — he made the statement that the budget process consisted of the First Minister from the previous government sitting down for a week and going over the budget. Mr. Chairman, I don't know whether it is true or not; I was not part of Cabinet or of the Management Committee. I am sure it is not true but I can't vouch for it not being true. The Minister said it more than once and now I believe that it is absolutely untrue and he said it. He says, well, now prove I am wrong. Mr. Chairman, he has said that this previous government would have continued to spend at the same rate. I say this is not true, Mr. Chairman, I don't believe that. He believes it; he says he can prove it. Let him prove it. Let him not make broad statements unless he is prepared to back them up, unless he is prepared to say, "I do believe that." Okay. But don't let him say, "I can prove it," and then not prove it because no one, and I really mean hardly anyone, would take his word without his bringing some supportive evidence to vouch for it.

Now, Mr. Chairman, he has now admitted — I think he has admitted — that before this report was published, he already knew that the projection was incorrect and he is telling us that this report

was based as of, I don't know, October 14, 1977, or some similar date, which means, Mr. Chairman, that they took what they were told then and without any additional information, they then proceeded to file a report. He talks about history, this report will stand on the record that on March 31, 1978, this Minister, with two other people, presented a report which supported the statement as to the deficit. We know it is a false figure. We know, and I use that word advisedly, it is not an honest statement. It is designed to make people believe that that was the deficit as it was known, as at the date of this report and they didn't have the guts to tell the truth when they knew it to be so.

Now, the Minister says he doesn't know when he learned that this statement is incorrect. Well, I don't know when he learned it either, Mr. Chairman, but he certainly learned it before he signed the report, and yet he continues this along.

So, I have another question to ask. At the bottom of Page 24, Mr. Chairman, he quotes the Provincial Auditor as: Considering that the former separation of Current and Budgetary Capital on an arbitrary basis is not practical, etc., and he says that the Current and Budgetary Capital figures were combined in the Interim Report. I assume he knew — I have to assume he knew — that the Estimates for this current year were supposedly on a combined Current and Budgetary figure. My premise to my question is that he knew that. I would like to know when he learned that it was the government's intention to spend \$30 million more in Capital Expenditures than was shown in the Estimates figure that we are now dealing with?

MR. CHAIRMAN 1.(b) — the Minister.

MR. SPIVAK I said to the honourable member, and I am prepared to answer answer questions, I am not prepared to go through the cross-examination. I will answer it, but I am not prepared to do a paragraph by paragraph cross-examination on the part of the honourable member. I am not prepared as a member of the Treasury Branch to basically tell him when I knew anything. As a member of the Treasury Branch I am part of the Treasury Branch. That information is being presented by the Minister of Finance. I simply indicate to the former Minister that I think he understands it very correctly. I am not prepared, Mr. Chairman, to get involved in this detail. I am certainly prepared to answer in a general way. I again state for the record so that there will be no question, that as of the date that the Task Force commenced, the best information they had was at \$225 million. I am aware as well that the Task Force knew that part of the restraint program was working, the degree to which it was working was very difficult to assess but they did know that it was working, based on the preliminary reports that had been received, and that was very important. They were also aware of the fact that a number of Capital projects which were foolish in their design and concept were cancelled and as a result there were savings to be made there.

Now, the fact that the net deficit position would change and alter by March 31, I think was understood. There was no question. The work that was going on would obviously affect it but, Mr. Chairman, the information that is presented in the Task Force, is the information as of the date that the Task Force commenced. This is a review of the economic position and the fiscal position.

The honourable members want to get around the \$225 million. With all the talk, it is just hogwash; they haven't been able to get around it at all. They have said that the information is incorrect. They have said it is improper. They have said that there was information that came forward afterwards which showed more Federal money. They said there was a restraint program which had its effect. All of these things indicate, Mr. Chairman, that insofar as they were concerned, it couldn't have been \$225 million. All I have said to them, well, if it wasn't \$225 million and that information was given to us, again, by the very same officials who were within the government before, and that was on the basis on which we undertook our project and that is the basis of the fiscal situation at the time that the report was undertaken. Mr. Chairman, if we are supposed to, in terms of the honourable members opposite in order to sort of satisfy their particular need, are to produce information after action has been undertaken by the government, after some of the suggestions of the Task Force have in fact been carried out and after there has been a new change in position, put that as being the position in November, that would be patently false because that wasn't the position in November. That wasn't the position when the Task Force commenced its operation. And while the honourable member won't acknowledge that that is really all that says, he is trying by one way or the other to get around the position and to try in some way or other to suggest that the \$225 million projection was an incorrect projection with respect to the government. because, Mr. Chairman, the fact is that it was the projection; the fact is that the honourable members don't want to acknowledge it because

it is horrendous by comparison to what they were suggesting before. The fact is that it really did show a deterioration with respect to what was happening, and the fact is it is also an indication, and I think in a very direct way, that the members opposite who were in the government really didn't have control of what was taking place and did not have the accurate information from which correct information from which judgments could be made, valid judgments could be made. This, of course, is one of the main objections and one of the main suggestions with respect to the report, the need for proper management information system and for proper financial information so that judgments could be made.

Now, Mr. Chairman, I am not dealing now with what took place in March. I am dealing in the report and discussing with the Minister — the report is dealing now with the position as of November, the projections. If the honourable member says that those projections are not correct and if he says that that 225 million is not correct, that in November it was 180 million, then say it, produce it. We have indicated in here directly the information that was given to us, and that was the information that was given to us.

There were subsequent changes, Mr. Chairman. There is no question, but to a large extent they occurred for two reasons. One, because Federal moneys came forward, and secondly, because of the efforts that the present government put forward.

Now, the judgment as to whether the previous government, if they had stayed in power, would have done anything or not and would have been able to alter it, the only argument I can present really, Mr. Chairman, if I suggested there is proof, there is no proof. The only argument, because it is only an argument, is the track record of the previous government, and the track record, I think, would support very conclusively that the previous government had they remained in power would not have been able to do anything, that their restraint program hadn't worked, that the 90 percent levels that they talked about had not been achieved, that the kind of direct restraint that was brought forward by the present government would not have been implemented by them. That, I believe, is the case, Mr. Chairman, and I think it is supported.

Now with respect to the whole question of the capital amount, again I am not prepared to discuss this. That factor has been discussed by the Minister of Finance and no doubt will be debated in the House. I am a member of Treasury Branch and to that extent I am not in a position, Mr. Chairman, to indicate when things became available, but the information supplied here as to the position at the time that the Task Force commenced its operation is, I believe, a correct and true picture of what position we had at that time and the information that was available. Things alter, Mr. Chairman, fortunately, but still, Mr. Chairman, although they altered the deficit is pretty substantial. Let no one suggest that the deficit is anywhere near what was first suggested by the previous government and let no one suggest that that was something to be thankful for, because the only way you are going to be able to deal with that deficit is by borrowing or by raising taxes. The implications for that in Manitoba are severe.

MR. CHAIRMAN The Member for St. Johns.

MR. CHERNIACK Firstly, let's get clear that the Minister is hiding behind his position on the Treasury Bench and I had occasion last week to point out that he was quite prepared to talk about how the former Minister acted in Cabinet.

MR. SPIVAK I made a mistake on that. I made a mistake and then I . . . No, but Mr. Chairman, on a point of record I indicated that may have been an error and that I may have treaded on — and I think the record will show that. —(Interjection)— Well, because I think, Mr. Chairman. . .

MR. CHERNIACK What was it the Minister said? Did he say he was in error or he may have been error? Which is it?

MR. SPIVAK I think, Mr. Chairman, if the honourable member would refer back to Hansard he will be able to read what I said, but I did cover that area.

MR. CHERNIACK Well, is the Minister prepared to tell us now what he felt about that?

MR. SPIVAK I think I will let the honourable member look at Hansard.

MR. CHERNIACK So the Minister isn't sure whether he was in error or thinks he was in error.

MR. SPIVAK Oh, I think I know what I said.

MR. CHERNIACK Mr. Chairman, there is another significant statement he made, you know, I have pointed out he said the strategy had been worked out. Do you know what he said just now, Mr. Chairman, he said there is no proof. It is his opinion he said that the former government, if it continued in government now, it is his opinion, there is no proof that the deficit would have increased the way he said it was. Now he may not have meant it but he said it. I wrote it down.

Now, Mr. Chairman, my point again — I don't know what the figure should have been projected at. I have no. . .

MR. SPIVAK I think you do.

MR. CHERNIACK . . . figures, but I can only say this — that the Minister has now told us that the recommendations of the Task Force Report are based on information they were given as of November 1977, and that then means that all the subsequent information that they got, of which we know of some, was not included as part of the base for their recommendations. That means that at the time they already filed it, March 31 — is it 6 months later? — it was already out of date. It was out of date.

Now if they wanted their Task Force to pat itself on the back and say, "Because we were around and our government is around, we have accomplished a great deal as between November 1977 and March 1978." Okay, let them blow their horn, but let them not pretend that they are bringing recommendations to be acted on based on outdated material. This only serves to accentuate the statements made by the Member for Selkirk that this is a biased report. It was planned in advance, it was done in order to justify a previous political position, and on that basis it may have recommendations that would be of some validity.

Mr. Chairman, we still don't know when it was that the Minister learned that \$30 million was going to be spent this year in addition to what they said was going to be spent. As I recall it the revelation of the Estimates came very soon after March 31st. As I recall it we were told almost in the same breath but within a few days, what the combined spending would be by this government in this fiscal year, and we learned later, with difficulty, that there was \$30 million more to be spent. Of course, that is not the fault of this Minister, but if this Minister knew that, then surely it should have influenced the way he presented the Task Force Report, and the way he talked about combining current and budgetary capital figures.

Mr. Chairman, I now ask another direct question. You notice the Minister doesn't want to get involved in detail. He wants to make general statements, general accusations, not supported except by his opinion, but gradually we have discovered that there is no proof for his opinion. It is his opinion and he is entitled to it, Mr. Chairman. Let him not pretend that he has support for it; let him say that is his opinion.

You know, on Page 27, he gives some figures, "To raise the money in one year through taxation would have required a tripling of the provincial personal income tax rate." I don't follow that arithmetic, "or an increase in the sales tax" — I don't quite follow that arithmetic as being related to his extrapolation I think — what was it? I don't see the 400 million figure, but that is not — yes, 400 million is referred to here. Is that what he is referring to? Is that his arithmetic or could he check his arithmetic and inform us just what is the basis for that statement?!

MR. SPIVAK Mr. Chairman, I want the record to show that the Member for St. Johns with respect to the \$225 million, is simply indicating that if the figures are \$185 million that that makes the situation a little bit better, definitely better. There is no question it is an improvement.

MR. CHERNIACK Mr. Chairman, on a matter of privilege. . .

MR. CHAIRMAN The Member for St. Johns on a matter of privilege.

MR. CHERNIACK You may recall the Speaker apologized to one of the members for having denied him the opportunity to correct a misstatement by a Minister. On that basis I say that never did I indicate that 185 million was any different from 225 million in terms of a problem. I certainly indicated that honesty was a good way on which to base a report, and that is all I said.

MR. SPIVAK Mr. Chairman, the report of the Task Force with respect to the fiscal situation is a statement of honesty, not dishonesty. There is nothing that has been indicated by the Member for St. Johns that would indicate that it is dishonest. What he has simply said is that as a result

of a restraint program and new revenues coming in from the Federal Government, the position changed to 185 million.

Mr. Chairman, I have to say that if the position was 185 million, I think for Manitoba that is pretty high and I think the implications of that are very severe. I think the borrowing capacity — the capability being there but the implications in long-term are very important.

Mr. Chairman, there was no way to determine specifically what the Estimates would be for the following year' but the Task Force had to address itself to that problem. It had to address itself on the basis of information supplied, which showed the potential current capital expenditures for the fiscal year on the basis of programs that would have been undertaken and their continuation, and the ones that had been projected. In turn, Mr. Chairman, we had to base it on some reasonable way to determine what the likely deficit position would be on the assumption that the revenue position was as projected at that time by the Department of Finance. We then took, Mr. Chairman, the previous year's rise in Estimates. We did not take the average of the last four years, we took the previous rise, which was the lowest. We applied that plus the current capital expenditure forecast, which were provided by the Department, we then made the projection of 400 million as being likely the deficit that would have had to have been realized for this coming year along with the \$225 million that had been projected at that time.

That, Mr. Chairman, meant \$625 million that had to be raised by borrowing or by taxation. The enormity of that \$625 million, in understanding its implications for Manitoba, was demonstrated by the options that were shown here, and that is all they were — options. It did not follow that this could have been the only way in which taxes could have been raised, but, Mr. Chairman, it was a fantastic rise and it is a fantastic rise.

I suggest, Mr. Chairman, because I cannot be sure, but I have to tell you on the basis of the track record of the previous government, and this is a judgment, that it is unlikely, Mr. Chairman, that they would have been able to reduce the \$400 million. They have nothing that would have indicated it. It is unlikely that they could have reduced the 225 million and the probability, Mr. Chairman, notwithstanding the taxes that were reduced that they would have had to reduce substantial taxation in the province. That, Mr. Chairman, was the deduction that we made. We made the presentation in the best way we could and we have illustrated it. We recognized as well and we have indicated that it could be done through a method of taxation or a method of borrowing, or the combination of the two.

But the fact is, Mr. Chairman, on November when the Task Force undertook its operation, it had, in order to determine its strategy, the economic position at that time, the fiscal position at that time, and the realities of what probably would have happened with respect to the forecast for expenditures for the following year unless changes and alterations took place, on that basis, Mr. Chairman, we proceeded. We proceeded as best we could and we have illustrated in the way that we have shown here on Page 26 and 27.

MR. CHERNIACK Mr. Chairman, you know, even on the basis of 185 million you have got some 96 million referred to as capital. You have some 25 million referred to as being a projected deficit. You have already got more than one-half of that 185 million as being matters that were known and known to the Opposition to be deficit financing.

Mr. Chairman, you know, it is an academic discussion, but let it not be continued to be believed that when you invest in a capital asset that you don't have something to show for it. I think that the Minister has had enough experience in his private enterprise life to know that an investment is not an expenditure, and that when you borrow for an investment such as no doubt he did, I assume he did, that he expected to get value for his money in return.

So, you know, it is a phony figure whether it is 225 or 185 unless one has it in the context of what you get for the deficit.

I asked him a rather simple question. I asked him to justify the arithmetic on Page 27. I see in our Estimates of revenue that individual income tax will be 378 million. You know what would happen if you tripled that? You would have added about \$750 million. Do you know what would have happened if you had tripled the sales tax, increased it by 10 points, there would have been about 350. There is a contradiction right there. All I asked him was for the arithmetic, and I didn't get that, I got another tirade of what he believes might have happened; what he thinks would have happened; what he believes did happen. And none of it is supported by anything. I thought at least

the arithmetic would be simple enough for him to give us a straightforward response.

MR. CHAIRMAN The Member for Selkirk.

MR. PAWLEY Mr. Chairman, I would like to just pose some questions to the Minister in connection with a statement that he indicated that if the previous government had been re-elected, he implied that there would be a \$400 million increase in expenditure. He also made reference to the \$225 million, as though that would be something which the previous government by its track record would not be able to contend with.

So the Minister has left an impression throughout that the previous government was one which was pretty reckless as to where it was going in connection with deficits and spending. I am just wondering in view of the fact that his own Minister of Finance in early January of 1978 indicated to the news media in an announcement that the new government expected to reduce the expenditures during its first fiscal year of operation by \$50 million, in comparison to what the former government had spent during its final year in operation, if in fact that the Minister of Finance was basing his speculation as to what his final Estimates would be on the basis of information that he had already received from the Minister in connection with savings or fat or suggested or implied ineptitude that he had already seen at that point, that the Minister of Finance in early January should have suggested that he would reduce government expenditures by \$50 million from what it was the year previous.

MR. SPIVAK Mr. Chairman, the fiscal position represents the position of the government as of the time that the Task Force commenced its operation and the projections of what likely rise would occur in the following year and the probabilities of the deficit based on the revenue picture that was presented at that time. On that basis, Mr. Chairman, the combination of the fiscal year ending in 1978 and the fiscal year ending in 1979 was \$625 million in deficit, money which had to be raised by borrowing, which had to be raised by taxation or a combination of both.

MR. CHAIRMAN 4.(b)—pass — the Member for Selkirk.

MR. PAWLEY Mr. Chairman, is the Minister indicating that the announced Estimate by the Minister of Finance on January 12 was not based upon information which he had received from the Task Force or personnel of the Task Force on that particular date?

MR. SPIVAK Mr. Chairman, the Minister of Finance will answer for himself. I simply indicate that insofar as the report is concerned on Page 24 or 25, 26 and 27, it represents the fiscal position as at the time the Task Force commenced its operation and the best analysis at that time of what the likely projections of deficit would be and the requirements that would have to be undertaken for raising the money somehow or other, through taxation or borrowing or both.

MR. PAWLEY Mr. Chairman, on Page 25 of the Task Force Report, the Minister makes reference to, "It is noted that Manitoba already has the second highest per capita direct and guaranteed debt burden of any Canadian province." Which province is he referring to as the one which has the highest per capita direct and guaranteed debt burden?

MR. SPIVAK Mr. Chairman, I don't want to make an error on that. I will have to get that information.

R. PAWLEY I would like to pursue, if I could, with the Minister — certainly the Minister will get that information — but I am wondering if he is referring to Ontario?

MR. SPIVAK No, Mr. Chairman, I am not referring to Ontario.

MR. PAWLEY We're aware of the hefty deficit in Ontario in excess of \$1.5 billion, I believe, this past fiscal year, in fact I may be on the conservative side insofar as Ontario's deficit is concerned. Is the Minister aware . . .

MR. SPIVAK Mr. Chairman, to begin with, it is per capita debt, not deficit, per capita debt.

MR. PAWLEY The Minister is going to obtain the information for me on that part?

MR. SPIVAK On the per capita debt.

MR. PAWLEY If I could ask the Minister, dealing with deficits, because in a statement — if I could draw some comparison with the Ontario deficit — does the Minister agree with me that the total deficit in Ontario is in excess of \$1.5 billion for the past fiscal year?

MR. SPIVAK Mr. Chairman, I am not in a position to answer for Ontario but I am aware that it is very high and I am aware that they have been deficit financing, yes. But, Mr. Chairman, I can't give the honourable member the exact figures and I think that he can find them for himself.

MR. PAWLEY Would the Minister advise me whether in Ontario — he makes reference to the fact that the deficit in Manitoba would raise concerns in the investment community about the province's overall financial position. The Minister has indicated that he is not aware of the amount of the Ontario deficit but I would like to put to him that the deficit in Ontario is proportionate to the deficit, as had been projected by his Task Force, for Manitoba. Is he aware, in Ontario, of a concern in the investment community about the Province of Ontario's overall financial position?

mmr. SPIVAK Mr. Chairman, this report deals with Manitoba, not Ontario.

MR. PAWLEY Mr. Chairman, maybe the Member for St. James would like the floor on a point of order?

MR. CHAIRMAN The Member for St. James.

MR. MINAKER On a point of order, let's deal with the Task Force Report, Mr. Chairman, not with the Ontario provincial budget.

MR. CHAIRMAN The Member for Selkirk.

MR. PAWLEY Mr. Chairman, I would like a ruling from you as to whether the Member for St. James had a valid point of order.

MR. CHAIRMAN Well, I think, to you, to the Member for Selkirk and to all members of the committee, that we are on the Minister's salary, the Minister responsible for the Task Force. I really do think that we should stick to Manitoba concerns, but the report does refer to other jurisdictions so that is the reason why I haven't interrupted you when you have asked questions pertaining to other provinces, etc.

MR. PAWLEY Thank you, Mr. Chairman. I would like to point out to the Member for St. James, so that he knows the reason for these questions clearly in his own mind, that we are testing the bias which again and again has been revealed in this Task Force Report, and again and again there are instances of bias being unfolded. There is a suggestion within the Task Force Report that investment concern is being raised in Manitoba due to the deficit position in the Province of Manitoba, as though the deficit was creating concern. I think, therefore, Mr. Chairman, it is not unreasonable to ask the Minister responsible for the Task Force if he drew this opinion as a result of comparisons with the situation in Ontario where the deficit for the past number of years was proportionate to the deficit that his Task Force had projected for the Province of Manitoba? Is that the basis of the forecast that he made?

MR. SPIVAK Mr. Chairman, I have already answered the question. The question has been answered twice. I don't think it is necessary to repeat it. I have indicated that the fiscal situation is shown as of the date of the time the Task Force commenced its operation. I have explained it and there really is no need to continue. The honourable members can talk about whatever they want. That is the information upon which the judgments were made with respect to the action and the strategy that had been undertaken.

MR. PAWLEY It is very interesting, Mr. Chairman, that we have again instances of further unmitigated bias in this report. There is no attempt to justify the conclusion that the Minister arrived at. He makes no effort to indicate that his position is thus because we are reaching a situation which is comparable to that which exists somewhere else in another jurisdiction with similar deficit situations. He makes no effort, Mr. Chairman, to suggest that his figure is based upon some situation which has earlier happened in Manitoba history, and I would again suggest to the Minister, that if he would have taken us back into the period 1958 to 1968, that he would again have been dealing with periods of deficit in Manitoba. But of course, again, the graphs conveniently leave off any reference to the periods earlier than 1968 but suddenly he is suggesting that the economic situation in the Province of Manitoba was such that investment concern was on the verge of being developed. Again, Mr. Chairman, and I am not going to repeat myself further on this point, but it relates to an attempt, again, to window-dress the political thinking of this document and relate also to the misleading representations that were made throughout the months of September and October of last year and some attempt, in a phoney way, Mr. Chairman, to substantiate those projections.

MR. SPIVAK Mr. Chairman, as I take it, the honourable members opposite are basically saying that the deficit position was not that serious, that in effect \$640 million or \$650 million, whatever the figure was, could be achieved — the figure wasn't 650, it could have been made 600 million — but nevertheless there was no information to indicate, Mr. Chairman, that it would be, you know, anything substantially less than that that the honourable members have put forward, that somehow or other, there would be no difficulty in borrowing that, that that would not affect the capacity to borrow in the future, that that would have been considered normal with respect to Manitoba and that everyone would have been very happy with the situation, recognizing that we were paying for current expenditures out of borrowings on the total assets of the province.

The Honourable Member for St. Johns referred to the fact that money has been borrowed on other investments and that is true, but those investments earn income and that income is used to pay off the borrowings that occur. In this particular case, Mr. Chairman, what happens is the taxpayer has to pay the borrowings and he has to pay them off out of the revenues, out of the taxes in the future. Mr. Chairman, there is a difference.

So, Mr. Chairman, we have the situation, we have the members opposite not telling us what they think the financial position was or was projected to be, but basically saying, Mr. Chairman, that the information that has been provided as of November in the Task Force was incorrect, it's phoney, it's dishonest, it's misleading. But on the other hand, Mr. Chairman, they are not prepared to tell us. They have not, on their track record, been able to indicate a reduction of capital expenditures in the last four years of less than 13 point something percentage, and I think that that was one of their best efforts, Mr. Chairman. It is unlikely that it would have happened in this coming year, and they basically have said that there would have been no problem in borrowing. Well, probably there would have been no problem in borrowing this year, but there would be problems in borrowing, I believe, and I think this was the Task Force position, in the future date, particularly with reference to the heavy borrowings that would have to occur with respect to capital investments and Hydro in years to come.

Mr. Chairman, there can be a disagreement. The honourable members can basically say that the deficits of other provinces were high and that their problems were as severe as ours and therefore if they were going to have problems, we would have problems, so why should we say that we were going to have problems, because they are going to have problems as well. The whole thing becomes nonsensical, Mr. Chairman, it really does because in all the debate that has occurred and with all the information and all the suggestions of misleading, inaccurate and biased information, the members are not telling us whether the fiscal position that was presented was inaccurate and what it really was, what the projections for the coming year were going to be. Mr. Chairman, if the projections were not going to be this, what were they going to be? Just tell us what you think it would be. You could tell us that you don't think you would have had a 13 percent rise, you would have had a 4 percent rise. Well, does anyone seriously believe that the NDP government would have had only a 4 percent rise in their expenditures? Does anyone seriously believe that? No, I don't think they believe that.

Does anyone seriously believe, that having exercised restraint over the last few years and having demonstrated their competency as a government, that there was likely to be any exercise of restraint that would save money? I don't think so.

Does anyone believe that there would have been really, truly a 10 percent reduction in the Civil Service, as they talked about, as they said there was going to be achieved? I don't think that anyone really would believe that.

I think, Mr. Chairman, what was happening here is an attempt to discredit the Task Force Report, an attempt to try to show errors, they are trying to show bias, which is a legitimate ploy on the part of the members opposite, I'm not suggesting . . . An attempt to cross-examine, to try and gain some insight and some information. But, Mr. Chairman, the fact is, with respect to the fiscal position, and this becomes very important, the honourable members have not been able to produce or to be able to give in some deducted way, what likely would have been the situation had they continued.

Mr. Chairman, the Task Force went on the basis of what the information was at the time and the projections that they could make and, Mr. Chairman, they did not take the worst situation. The worst situation would have been to take the average of the last four years. That was 20 percent and that could have been a legitimate exercise on the part of the Task Force. We didn't. We believe that the honourable members opposite did try the previous year to exercise restraint and to that extent that was all they could succeed. And there is nothing in the discussions that have occurred in the Estimates on the part of the members opposite to indicate that there was anything, or any will, or any likelihood that they would have in fact reduced the expenditures.

So it is a question of what our mandate was when we were elected to office and we believe our mandate to be the mandate that we said; we believe our mandate, Mr. Chairman, was to in fact provide some reform. The Task Force was formed on that basis. The information that was supplied was not information supplied as a result of a previous knowledge on the part of the members who formed the government. The information was supplied by the officials who were, again, the very same officials of the government and the projections were made on the basis of the best evidence. We could have brought a lot of other information and we could have maybe made this report a better show for the previous government. We didn't do it on that basis; we dealt on the fiscal situation as it is and we dealt on the basis of what the problems — well, as it is.

Well, Mr. Chairman, there is a theory that I want to apply to the members opposite which was brought in by one of the members at the last meeting and I want to refer to that as the "Weight Loss Theory of Fiscal Responsibility" and I want to refer to it because, Mr. Chairman, it was referred to before. The Honourable Member for St. Johns and others have said that if in fact you weighed 180 pounds in November but you dieted and weighed 170 pounds in March, what you should have said is that you weighed 170 pounds in November. Now that's what the whole theory has been. If 180 lbs. is what you weighed but you weighed 170 in March, you should have said that you weighed 170 in November.

Mr. Chairman, that has been the whole basis of their presentation, that somehow or other there were changes that occurred and because of those changes they should have been in fact provided, because that was the information you had in November. But that wasn't the information in November and you weighed 180 lbs. in November, and that was the basis on which this report was projected. And the forecasts that were made with respect, Mr. Chairman, to the coming year, were based on the current capital expenditures that were provided by the officials and, in turn, Mr. Chairman, were based on projections which used the lowest of the rise in increase, Mr. Chairman, of the previous government in the last four years — not the highest, not its average, but the lowest.

Mr. Chairman, on the basis of that there was a \$400 million deficit and \$225 million that would have had to have been realized. That \$625 million, I think would have put us into a serious position and that's in effect what the Task Force suggested.

MR. CHAIRMAN 1.(b) — the Member for Selkirk.

MR. PAWLEY Mr. Chairman, the Minister really is not dealing with, I think, the specific area of questions that have been presented to him. I suggest to the Minister that it's based upon misinformation that he and his colleagues were working under, or it may be that after the campaign in September-October they believed much of the very type of information that they were then

presenting..\$

But in any event, we reached a position where they had led the public of Manitoba to believe that there was a great deal of fat, ineptitude and waste. We have had in fact a statement by the Minister of Finance on January 12th, an announcement in which he proudly indicated that there would be a cut in expenditures during the forthcoming fiscal year of some \$50 million less than what existed during the final fiscal year of the New Democratic government.

Mr. Chairman, during that period of time, obviously the Task Force members, the Minister of Finance, and others, believed very much in the type of propaganda they had led themselves to believe — fat and inefficiency. The Minister is continuing that line despite the fact that we have now heard from eight Ministers who have acknowledged that the waste and inefficiency just does not exist in their individual departments. We have seen not a \$50 million cut in expenditures, as the Minister of Finance had forecast early this year, but we have seen an increase — dollar-wise an increase — in an amount equivalent to that increase which existed last year. We have seen the carry-over of some \$30 million into expenditure this year; moneys that must be added to the total amount that will be spent this year.

We have seen already the development of instances where moneys have not been planned for that will have to be specially warranted for. Nothing wrong with that, but the fact is, Mr. Chairman, the Minister is the only one that still believes — even among his own colleagues, let the record be clear, that he is about the only one that is left that believes in the propaganda which he fostered and continues to foster, Mr. Chairman, in connection with the alleged fat and inefficiency and waste on the part of the previous government.

Mr. Chairman, in case members laugh, there has been already knowledge by the Minister of Health and Social Development that the department was run well. One of the largest departments in government was run well with a minimum of inefficiency and fat within that very very large department.

So I say to the Minister again that the whole exercise that he was involved in was one that was biased and was partisan directed, and for the Minister to continue to attempt to evade that conclusion which one is forced to draw is beyond me.

MR. CHAIRMAN 1.(b) — the Member for St. Johns.

MR. CHERNIACK I thought I had indicated earlier but I guess you didn't see me.

MR. CHAIRMAN You have, Sir, but any opportunity I get to put the question, I'm going to grab it.

MR. CHERNIACK Do you intend to call the question when you have people on your list, Mr. Chairman?

MR. CHAIRMAN If I could get away with it, I would try it.

MR. CHERNIACK All right, you get trying that; you keep trying that.

MR. CHAIRMAN I'm just putting the question, that's all. The Member for St. Johns.

MR. CHERNIACK You know, we listen to this tirade from the Minister, still unsupported, still opinion, and I would not question his opinion except that a person in charge of a Task Force Report should at least pretend to be objective in his statements. But at least I give him credit — now I use the word "honest" in a positive sense — he is honest enough to show how prejudiced and biased he is in his attitude to the matters covering this report.

Now, Mr. Chairman, on Page 27 he discusses the problems of borrowing money in countries around the world. The Member for St. James took objection to a comparison with Ontario. The fact is that Ontario is showing a deficit and a budgeted deficit much larger than that of the Province of Manitoba, even proportionately, and it is borrowing on the same markets as Manitoba.

Now, Mr. Chairman, Ontario has always had a preferential interest rate over Manitoba. We were able to reduce the difference fairly substantially from the Roblin era but now, it seems to me, that the Minister would have to argue that because of the restraint program and all the recommendations

they are making, that we will have an even more preferential rate. As a matter of fact, we ought to be borrowing more cheaply than Ontario will have to borrow, based on their financial situation. And that's just not so, Mr. Chairman. It's just not so. It is all very well for the Minister to say we're dealing with Manitoba only. That's not so. He has already made it clear that he believes that eight other provinces in Canada are heading towards bankruptcy. He has also made it clear that other provinces are suffering from the same problem of too many civil servants and too big a governmental expenditure, and therefore he is still refusing to recognize problems that exist in Ontario.

Mr. Chairman, he cannot insist he cannot succeed in having a debate on the recommendations in this committee. These recommendations are far-reaching and go all over the government and all the Estimates in government. In so happens that there are Ministers who have already disassociated themselves to date on the report. They are saying, "I haven't read it yet. I will yet look at it. I am not being guided by it." And yet this Minister is taking credit for the Task Force Report for various reductions and for discharges that have been going on in various departments where they have been firing staff left and right on their own, and now he takes credit for it. It's a very untenable position in which he finds himself and which I don't think does him credit.

Meanwhile, Mr. Chairman, we are faced with the fact that the government has an announced deficit for this fiscal year which exceeds some \$150 million. Here they are making a big hullabaloo about — what is it? — \$185 million. That, I think, is the Minister's current projection for last year's deficit — borrowing deficit. And now we find that this government today is projecting a deficit of \$114 million, has been forced to admit another \$30 million projected in capital, making \$144 million, and has made various announcements of moneys that have yet to be raised of additional supplementary and moneys that will have to be raised in other ways from the public financing needs.

MR. SPIVAK That's pretty high, eh?

MR. CHERNIACK No, Mr. Chairman, the fact is that this Minister keeps asking what would the NDP have done. One thing the NDP would have done would have put need ahead of cost, and the NDP government would certainly have seen to it that the unemployment figures that we have today would not be the ones that would exist under a NDP government. And do you know, Mr. Chairman, the Minister may be the only person in this room who will remember, but I am sure he will remember and admit it, that there was a time when he got up in the Legislature and said, "We need to help old age pensioners. We have to provide . . ." I think it was just before an election. "We have to provide more money for pensioners. If you haven't got it borrow \$25 million on the capital market and give it in additional moneys to pensioners."

Will the Minister deny that he made that recommendation?

MR. SPIVAK When I'm ready to answer, I'll answer it. Do you want my answer now? Or that?

MR. CHAIRMAN The Minister for the Task Force.

MR. SPIVAK I will just answer you, with respect to the whole thing, including that.

MR. CHERNIACK I can't force you to do anything.

MR. SPIVAK Well, I am quite prepared to say "yes". I think I did say that. But, \$25 million, Mr. Chairman, is not \$625 million, nor is it the financial position that we have now; nor is it the situation in which the economy is in the state as it is; nor are we at a point where there is a need for some rationalization and refinement.

Now, the members opposite continually keep saying what they would have done, and say that nothing really has happened. But again, I want to point out, because I think the facts are very clear, at the present time, and I don't know the exact date but I think I have indicated already once in this committee, there are 1,300 employees less now than there were as of October 24th. Those are employees of the government. And you know, if in fact they represent, Mr. Chairman, a cost of about, an average with all the attendant costs, of about \$25 million, you can compute what that is out of an annual saving. That annual saving, Mr. Chairman, would be, I would assume, let's just try and see if we can calculate this correctly, about \$32 million annually over a four-year period of the government, that's \$120 million. Well, that's a pretty substantial saving and I defy the honourable members opposite to tell me and to tell the members of the committee who is suffering as a result of less employees at the present time within the government service in terms of the

services to the people. Because, you know, we come back to a very basic philosophical argument: Is government an employment agency to employ people, or has government got the responsibility, at this point, of applying itself so that services are given to those in fact who are in need.

Mr. Chairman, it's not a question of cost as opposed to need. It's a question of really satisfying the need and recognizing that government has to be organized with its full capacity to be able to meet the need and to be able to deal effectively with it, and to be able to provide the need. And if in fact there are excesses in the way in which administration is carrying out its responsibility, that is something that can be cut and that is something that can be altered. I say that the facts speak for themselves. There are less employees now. The government services are being operated. The members opposite have not indicated where there has been a failure on the part of the government. They have talked to transfer payments and they have talked that as a result of transfer payments that there is a reduction in services being offered, but they have not pointed out, that I am aware of, within the Civil Service, where the major faults of the government have occurred, where in fact there has been a lack of service being provided to the people because of the restraint program and because of the application of the restraint and attrition in the main. Because the layoffs represent a very small portion of the numbers that I have talked about.

Mr. Chairman, I simply say to them that I think that the record of the government speaks for itself and is consistent with trying to be able to meet the problem of deficit. It's true that I did say that at the point that the honourable member . . . at one point, I'm not sure of the exact point but the deficit position of the government wasn't in any way the situation that it was today. Believe me, it wasn't anywhere near that.

As a matter of fact, this situation has really only come about in the last little while, and the Member for St. Johns knows that. But the problem at this point is that we had to deal with it in the best way we could, and we have adopted a number of measures. The Task Force has presented its position. The fiscal situation, as I've said, is a position as of the time the Task Force commenced.

MR. CHERNIACK Mr. Chairman, two comments. Firstly, the Minister said 1,300 reduction in the Civil Service. I understand the Minister of Labour said 348 people have been fired and I understand — I don't know this, Mr. Chairman, I understand — that the difference are unfilled staff man years that were eliminated. There was no reduction in personnel. There were 348 people fired. When I say fired, they let go contracts, they let term employment run out, and they fired, what is it — 140 civil servants. So 348 were fired and the others were unfilled positions eliminated. Big deal.

MR. SPIVAK Well, Mr. Chairman . . .

MR. CHERNIACK Just a moment. Mr. Chairman, when the Minister will respond, would he please give us the arithmetic of 625 million that he is waving around; could he just tell us how he got that again? I am having difficulty.

MR. SPIVAK 225 million, plus a projection of 400 million.

MR. CHERNIACK I appreciate, Mr. Chairman. Now, you see, now we are May, almost May 24, 1978. The Minister knows very well that the 225 million is an outdated figure, proven by his own Minister of Finance to be wrong, proven again and again not to be a correct figure, and the Minister is still waving that 225 around and probably that is part of his projection of 400, which I don't accept.

So, Mr. Chairman, he can talk all he likes. They say, the bigger you make it, the more often you repeat it, the more it is likely to be believed and that's our problem in opposition, we have to try to bring the truth to the people so that they don't believe these extravagant outlandish statements.

MR. SPIVAK Well, Mr. Chairman, the former Minister of Finance is here and I wonder if he would be prepared to put on the table, as of the change of government, what the deficit position was on Current and Capital at that time, and what the projections were for Current and Capital deficit for the following year?

MR. CHERNIACK Mr. Chairman, I say again, this Minister keeps saying, "You put it on the table." Let this Minister know that it is his job to put things on the table. Mr. Chairman, it is this Minister who has made all sorts of statements here as if they were true and that are being questioned and

are being challenged. Let him put things on the table, Mr. Chairman. let him not give opinions and state them as fact; let him not give his conclusions and state them as if they have any support. The fact is that we have been through this exercise again and again. how many hours I don't know, trying to get him to prove what he is saying and he doesn't prove it. He keeps repeating it. And that is why I say that here that figure of 225 million, which he admitted today that the 225 million referred to in this report which is dated March 31, 1978, refers to figures given to him as of November, 1977, and have never been changed or corrected in all their writings in this Task Force Report. That means, Mr. Chairman, that he is continuing to repeat, even today, when he says 625, including 225 million, he is repeating what is not true.

Now, I don't even have to say it is dishonest, I say that figure is not true today, and he keeps repeating it and he keeps repeating it to members of his caucus and fellow Ministers who must know that it is not true. The Minister of Finance isn't here but the Minister of Finance has told us all the figure of 225 million is not true and this Minister keeps on repeating it because he is stuck, his mind and everything else in his thinking process got stuck in November, 1977, and is still there. We have to somehow bring him forward. We have to somehow teach him that 225 projection of November, 1977 is not a true figure as of now, nor was it as of the date of his report. He better acknowledge that, Mr. Chairman. We can't just go on with his constantly repeating, "But we knew that in November it was going to be 225," and still mention a figure of 625. Otherwise, Mr. Chairman, knowing that the figure was untrue, he is still trying to tell us that all the recommendations in this report are based on the figures that have proven to be incorrect. That means that if he still sticks to incorrect information as of November, then it means that there is no basis for many of the recommendations that we have yet to discuss in this report. It is one way or the other, Mr. Chairman, either those recommendations are based on November figures or they have to be considered in the light of today's figures, and if considered in the light of today's figures, then the basis is incorrect.

MR. SPIVAK Mr. Chairman, I would make an observation to the Honourable Member for St. Johns, who is a solicitor and who has practised in the courts. If a judge was listening to this debate — in a political debate it is a little different — but if a judge was listening to the debate, I would have to say to the Member for St. Johns, you are going to lose because in essence, what you are simply saying is that the information that was available as of May 1st is in fact the information you had as of November 1 and therefore when you made certain decisions on the basis of what you did on November 1, you should have known that the information on May 1, which would then be forthcoming, would in fact be the information upon which your judgment should be made.

That is the stupidity and the hogwash related to the argument of the Member for St. Johns. The information that we had as of the time the Task Force commenced was based on information supplied by the Department of Finance as to what the projected deficit for the current year would be, both on Capital and Current account. We then had information with respect to the Capital account; we then made a projection of what the likely current expenses would be based on the previous rise in Estimates, which was the lowest of the last four years. On the basis of that, there was to be a projection of \$400 million. On the basis of the two combined, it was \$625 million.

Now, circumstances changed and a fair amount of effort was put in by Ministers of the present government, not of the former government, and a lot of alterations took place with respect to program and, Mr. Chairman, through an organized program of attrition — it just didn't happen like that — without the replacement, Mr. Chairman, and with an attempt to try to rationalize government, there was a reduction in Civil Service staff and there was a reduction in programs. Yes, so that there will be no question, it was an organized attempt to try to allow attrition to occur so that there would be a reduction in the staff of the government, so that there would be a minimum dislocation within the Civil Service and I think that was accomplished.

Mr. Chairman, the Task Force Report that was presented was a report that was presented indicating the fiscal situation at the time the Task Force undertook it. If the Honourable Member for St. Johns believes that, you know, in a Law Amendments Committee or in a Legislative Committee or in a Committee of the Whole, or in the House itself, you can argue back and forth and you can present arguments and you can go out on the hustings and you can fudge up any debate, but if he wants, by any logic to suggest that the information on the fiscal situation and the projections should have reflected the changes that occurred on May 1 and that there is a need now to acknowledge that the information at the time of November was not correct because the information now is different, because in effect there has been an effort by the previous government, well, I say to him, that's nonsensical. What has been presented is the situation as it appeared to the Task Force, based on the best information that they had available and a deductive process that was

not unreasonable. I have yet to hear the honourable members say that the 13 percent rise was unreasonable. I have yet to hear the individuals say that the \$225 million projection was incorrect, except to say that circumstances occurred that changed that projection. But they have not indicated at all that that 225, as of the time the government took over, was in fact an incorrect figure.

I have gone through this over and over again. I am not going to convince the honourable member. I think it stands as an indictment of the former government and I'll tell you why. It simply means that the information supplied by the former Minister was incorrect and that circumstances have changed and that true position had not been indicated to the public, or that the information system that they had was not correct for its proper analysis. Mr. Chairman, that is the reality of it.

MR. CHERNIACK Mr. Chairman, I just want to indicate that the Minister has just said that that was an indictment of the former government. I think, Mr. Chairman, that that is what he was planning to do from day one, all along, it was an indictment of the former government. That was the strategy that they embarked on and he admitted that they embarked on a strategy. Now, whatever strategy

MR. SPIVAK Mr. Chairman, on a point of order and a point of privilege, I indicated before and I told the member to refer to the Hansard. The strategy was the strategy for the organization of the Task Force in carrying out its function with respect to the review teams. I said that as an explanation the last time he used it. It is in the Hansard itself and I think he will find, in fact when he refers to it, he will find that that is what it says. Certainly that is all that was intended, nothing else. The honourable member can take out the words and apply them as he . . .

MR. CHERNIACK Is that the point of order?

MR. SPIVAK Yes, I believe it is because I think there is an intention here on the part of the honourable member to deliberately misquote me. I am simply indicating for the second time, Mr. Chairman, and I say that, that I indicated that it was a strategy that was formulated with respect to the organization and the carrying out of the function of the Task Force, not a particular strategy of the Task Force itself.

MR. CHAIRMAN The Member for St. Johns, then St. Vital, then Seven Oaks.

MR. CHERNIACK Mr. Chairman, I don't want to drag this on. —(Interjection)— I'm sorry, I woke the Member for St. James up. Mr. Chairman, what I think we have now come to is an admission by the Minister that the Task Force's work was based on information as of November, 1977 and that, you know, he gave us proof positive when he said that the \$625 million projection of deficit was based on 225 and he justifies it on the basis that they were working on an assumption which he says was correct as of that time. Accepting the fact that he believes that it was correct as of that time, and admits it is no longer correct, then I believe that we have pretty well established that this Task Force Report is based on an assumption which they believe was correct as of November, 1977, and on that basis it becomes an historic document. He was involved in history. It becomes an historic document of the belief that the Conservative Party had of what ought to have been done, as of information that they knew as of November, 1977. It is therefore a document which I think should be put on a shelf, should be read by those who want to read it to see what positive suggestions they make, but it has to be rejected on the basis of being a current document. And if he is trying to justify his salary on the basis of it being a current document, it is false, but if he is justifying his salary on the basis that he earned it already, which may well be true, he certainly earned it from the standpoint of the government and the Conservative Party, and that he has more work to do in the future the nature of which has not yet been defined for us, okay. If he is going to be a member of Management Committee and if that is the role that they have for him for the next year in which he wants to justify this salary, okay. But the Task Force Report, Mr. Chairman, aside from the fact that it has some apparent incorrect assumptions and statements, is now a matter for history; it is no longer a document that is relevant to today, simply on the basis that it isn't factually up to date.

MR. CHAIRMAN The Member for St. Vital.

MR. WALDING Thank you, Mr. Chairman. We have been on Chapter 4 now for about three hours. I hope that we are going to move on. I know that some of my colleagues have comments on later parts of the report. A good deal of the debate for the last hour has been on this Chapter 4 and it can probably be settled very quickly if the Minister would tell us when this chapter was written.

Could he give us that information?

MR. CHAIRMAN The Minister.

MR. SPIVAK The Task Force Report was written towards the end. I can't tell you the exact time, Mr. Chairman, but the information that was compiled was compiled during the whole process and the information that is contained here was forwarded and brought forward at to the committee at the early stages when the committee organized.

MR. WALDING Did I hear the Minister then to say, Mr. Chairman, that this particular chapter was written towards the end of the time that the Task Force was discussing, was considering the matter? In other words, possibly during the month of March?

MR. SPIVAK Mr. Chairman, I can't remember when the drafts of the Task Force Report were commenced. They were commenced in stages; I don't want to pinpoint the date but it was in the latter part of the work of the Task Force. But for the record and for the Honourable Member for St. Vital, this is a report, action of which was undertaken as a result of an Order-in-Council in which an overview was presented of the economic and financial position as of the time, and the fiscal position. You know, Mr. Chairman, that was the obligation, I think, on the part of the Task Force. The honourable members, and the Honourable Member for St. Johns — and I say this because I think it is the same point that the Member for St. Vital is bringing up — seems to indicate that because projections may have changed or altered or because circumstances changed simply because of the result of the effort of the present government, that in effect that means that the validity of the Task Force is not there. Well, Mr. Chairman, profit and loss statements at a given time alter and change as a result of the actions that are taken by administrations with any corporation, and obviously they change and they are historical documents. But nevertheless, the actions that are taken are based on the profit and loss at the time and if, in fact, we want to make a comparison, Mr. Chairman, as of November 1 the profit and loss statement was this, as of May 1, it is a different position.

Mr. Chairman, it doesn't mean that there was a lack of validity of the position of the profit and loss as of November 1, nor does it mean that the profit and loss of November 1 should not stand by itself if one reviews historically what has happened. Action was undertaken, Mr. Chairman; the report was written towards the end of the Task Force Report; the information that was available was put down in language in terms of the draft. There were several drafts; I can't give you the exact time.

MR. WALDING I thank the Minister, Mr. Chairman. I believe that he has vindicated more or less what my colleagues have been saying for the last hour and that is when this particular chapter was written and finalized it was probably about the same time as the rest of the report Volume I and Volume II as well. In fact, we would have been led to believe that from Chapter III, which is headed Methodology, where the Task Force points out the way that it went about its appointed task, sought information and the opinions of many and varied people. Finally as a result of its investigations and the information that it gathered it put together its conclusions.

The way that Chapter IV would read, as has been pointed out here this evening, would suggest that \$225 million deficit in the 400 were the opinions of the members of the Task Force that had written this report as at the time that they had written. Now I believe that the Minister was right when he says that was the indication as of the end of October; however, Chapter IV really doesn't say that and the figures are used in this chapter of \$400 million and \$225 million that the writers of the report knew not to be true at the time of its writing.

I had another couple of questions that I wanted to ask of the Minister before we leave this section. On Page 19 there is a sentence at the bottom that says the cost of servicing this debt has remained a fairly constant percentage of gross provincial expenditures during the past decade. I wonder if the Minister could give us the figure of that percentage?

MR. SPIVAK No, I don't have that available. \$\$\$\$

MR. WALDING Can the Minister tell us whether that total provincial debt guaranteed indirect dead weight and self-sustaining debt includes Hydro and whether he considers the cost of servicing that is a percentage of gross provincial expenditures.

MR. SPIVAK Well, Mr. Chairman, it does include Hydro in that figure, it does. It says debt

indirect, dead weight debt and self-sustaining.

MR. WALDING Is the Minister then suggesting, Mr. Chairman, that the cost of servicing the Hydro debt comes out of provincial government expenditures?

MR. SPIVAK No, Mr. Chairman, that's not what it says.

MR. WALDING Well perhaps the Minister would explain it to me because that's the way that I read it. It says that the total provincial debt guaranteed, indirect, dead weight and self-sustaining has grown from, and gives some figures. The cost of servicing this debt has remained a fairly constant percentage of gross provincial expenditures during the past decade. Now that is the way that I would read those words.

MR. SPIVAK In what way, I'm sorry I don't understand in what way would you read it?

MR. WALDING That each of those categories of debt which includes, I assume, Hydro's debt, that the cost of that debt is coming out of gross provincial expenditures.

MR. SPIVAK I don't read it that way.

MR. WALDING Then can the Minister tell me which of those categories would include the Hydro debt and its debt servicing.

Well, I would assume that the self-sustaining debt would be included in that.

MR. WALDING Can the Minister explain why the self-sustaining cost comes out of gross provincial expenditures as it says on Page 19.

MR. SPIVAK It doesn't say that, Mr. Chairman.

MR. WALDING Can the Minister explain to me his interpretation of those words if it's different from mine.

MR. SPIVAK It says exactly what it says, that the cost of servicing the debt has remained a fairly constant percentage of gross provincial expenditures in the past decade.

MR. WALDING Including or not including the self-sustaining debt which the Minister said is not included in that.

MR. SPIVAK No, I didn't. Mr. Chairman, again we're getting ourselves involved in something that I'm not really prepared to do. I keep getting myself involved. The statements themselves read as they are here. I do not believe that they say what the honourable member has suggested they say and I simply indicate to him that I do not interpret it that way. It speaks for itself.

MR. WALDING Well, I believe it does speak for itself, Mr. Chairman, and I believe it says to me what it in fact says and that it says that Hydro's debt is a self-sustaining debt and the cost of servicing this debt to include self-sustaining is a percentage of the gross provincial expenditures. If the cost of that debt is not included in the total of the debt, then why is it part of that fixed percentage or constant percentage of gross provincial expenditures?

MR. SPIVAK I don't interpret it the way the honourable member does.

MR. WALDING I'll . . . to my colleague from Seven Oaks.

MR. CHAIRMAN The Member for Seven Oaks indicated to me that he wished to have his name stricken from the list. I have no further names on my list so I'll call the question. 1.(b) —pass — the Member for Selkirk.

MR. PAWLEY I'll have some questions later on, but I'm just wondering if there's any other questions that the members would like to ask before reaching the section under Legal Aid, the Attorney-General's Department?

MR. CHAIRMAN I don't see any indicators from other members so perhaps the Member for Selkirk can proceed with Legal Aid.

MR. PAWLEY Mr. Chairman, my questions to the Minister responsible for the Task Force are: on

page 23, Volume II of the Task Force we find the words, the Legal Aid lawyers have appeared before Law Amendments Committee to make submissions on pending legislation on behalf of groups. Then on page 30, the second last paragraph we have the words, "while running far over its budget the Society saw fit to employ two or three of its staff lawyers on appearances before the Law Amendments Committee," and then , and I'm dealing strictly here with Law Amendments Committee, then on page 33 Recommendation, "Legal Aid should not be available for the purpose of making representations on behalf of groups before the Law Amendments Committee of the Legislature." Now I asked the Minister in the House March 30th I believe of this year to provide for me the names and instances of where Legal Aid lawyers were employed to appear before the Law Amendments Committee. He undertook at that time to provide me with a response and I'm wondering if the Minister first is prepared to provide me with that information upon which these alleged facts are based in the report?

MR. SPIVAK Mr. Chairman, the report stands as it was prepared.

MR. PAWLEY Well, Mr. Chairman, that's no answer. The report makes allegations pertaining to Legal Aid; it indicates that two or three staff lawyers were employed to appear before Law Amendments Committee. Surely in view of the fact that the Minister as one of the members of the committee that caused that statement to be inserted into the report, that he could at least advise us upon what basis that statement was made. Would the Minister like me to read to him the statement in question?

MR. SPIVAK No, Mr. Chairman, it's not necessary, the report stands for itself. The information supplied in the report was information that was available from the Task Force as a result of the investigations made by the review team and as a result of a number of meetings that were held by the review team with respect to Legal Aid. On the basis of that that information was presented. I think that the honourable member is questioning whether that information is accurate or not, I think that's the question that's put. If you believe the information not to be accurate, I wish you would state that. The Task Force report stands as it is prepared.

MR. PAWLEY Well, Mr. Chairman, I believe that the Minister should indicate to the committee if in fact as he's advised us it was made as a result of investigations, surely he could advise us in connection with what legislation Legal Aid lawyers were employed to make representations, what legislation is the. . . The Minister committed himself in the House to respond to me in connection with this matter some six weeks to eight weeks ago with the names and instances of the lawyers that references were made to.

MR. SPIVAK The honourable member said that I would give the names and instances, I'm not sure that that's correct. I think I did say I would respond; I'd have to look at the Hansard to indicate exactly what I did say at the time. I can simply indicate that the report itself stands as its been presented. It's presented as a result of the summary. If the Member for Selkirk is saying that information is incorrect, then you know he has a perfect right to say that. I also would be interested in understanding whether the Member for Selkirk believes that Legal Aid should in fact appear before Law Amendments Committee. I'd be interested in knowing what his position is on that.

MR. PAWLEY Well, Mr. Chairman, I had hoped that in view of the many wide recommendations pertaining to Legal Aid that a serious allegation such as that made within the report would at least be backed up with some factual information for us. Again, Mr. Chairman, with all due respect I have to say that it's another example of blatant bias. I will say to the Minister that I believe this statement to be blatantly untrue, and is intended to mislead, to mislead and to prejudice those that read this report in connection with the involvement of Legal Aid before the Law Amendments Committee because, and I will say to the Minister that I think the onus is upon him. Certainly I am not aware of any such instance where two or three staff lawyers who have been employed to appear before the Law Amendments Committee to make representations, whether or not that would be right or wrong is a matter of opinion, but the fact is that the Minister is a co-chairman of the Task Force report that caused that statement to be included and as a result of that made a recommendation.

MR. SPIVAK Mr. Chairman, you know. . .

MR. PAWLEY Well, if it's not true sure, and the Minister has no basis to make that report, if he would acknowledge that there is no basis for that statement, then let him say so and we can move

on to the next topic.

MR. SPIVAK Mr. Chairman, the report itself stands as it is presented. The information that was furnished to the review team was extensive. Mr. Chairman, I indicated as well that I think the more important argument and I think . . . because that is the recommendation, as to whether Legal Aid should in fact appear before long on this committee on behalf of any individual or group of individuals. I would be interested in that debate. The recommendation is that they not; I would be interested in understanding from the member who was the former Attorney-General whether that would be the case. I think that the report itself stands as it is presented and there's no way in which I'm going to get myself involved, and I've indicated this, in trying to furnish the examples, the specifics of any detail. If the honourable member believes, I think he used blatant. I'm not sure of the exact language, then that's fine, that's his right.

MR. PAWLEY Well, Mr. Chairman, if the Minister wishes to erect a straw man then fire at the straw man and try to create an issue of the straw man and make a recommendation from that, I suppose I suppose he might feel that that's a responsible way to deal with the entire question of Legal Aid but I have to say to the Minister and await the Minister to respond to me because he indicates that it is based upon information which he has received and he's leading us to believe that he's received that information. I say to the Minister that I have made inquiries and I have reason to believe that there is no such information and if there is no such information whatsoever, then certainly the recommendation is based upon incorrect information to begin with. In six to seven years of the experience of Legal Aid, I'm not aware of any instance, and those involved with Legal Aid can confirm this as well, of any instance. Now, unfortunately, Mr. Chairman, this is based upon the fact that the very first evening that we met here the Minister admitted that there had been no communication with the Chairman and Executive Director, the former Chairman of Legal Aid.

MR. SPIVAK I didn't say that. Mr. Chairman, I think this is fairly important because I think we'll deal with this item and then in turn deal with what the honourable member said. I don't think I indicated that, I said I wasn't in a position to indicate that at that time but, Mr. Chairman, I want to indicate for the record that in fact there was communication between those who were responsible for the Legal Aid study and the executive director that in effect they spent a substantial amount of time with them and reviewed the activities. I want the record to show that. They did not meet with the chairman but they did meet with the executive director.

I point out one other important fact which I think is a factor in determining, in dealing with the facts that are presented. There was a questionnaire regarding Legal Aid, a questionnaire that was sent out, Mr. Chairman. Unfortunately I don't have the exact number. There was a substantial number of letters — by that I mean a substantial number of letters to a questionnaire that was sent out and a substantial number of replies dealing with observations, comments, facts, which formed the basis of part of the consideration, Mr. Chairman. I think that that should be indicated as being part of the process and the methodology with respect to the way in which the Legal Aid study was commenced. Now as to where or how or what that information was, with respect to the particular item, I'm not in a position to indicate that. But I am in a position to indicate that with respect to the Task Force in dealing with the Legal Aid Review Committee's recommendations and then in turn, in dealing with the co-chairmen, after the recommendations were put in, we dealt with the question in principle, not on the question of fact as to whether they did or did not appear; but on the question of principle as to whether Legal Aid should be, in fact, before Law Amendments Committee and we came to a conclusion that it shouldn't be, and that's our recommendation.

MR. PAWLEY Mr. Chairman, is the Minister indicating to me that the information which he received, which led him to conclude that Legal Aid lawyers were in fact being employed for that purpose, arrived as a result of a questionnaire or letters that were received by him, stating that?

MR. SPIVAK Well, Mr. Chairman, the questionnaire was sent by the Review Team. It was substantial in number. I don't have the exact number, I'm sorry I don't, but I think that that can be obtained and given to the committee.

MR. PAWLEY Who were the questionnaires forwarded to?

MR. SPIVAK Well, I think that that's probably necessary. They were people involved in Legal Aid and people who had been involved in the process. That questionnaire was answered and formed the basis of part of the information along with the interviews that were undertaken. But I want to

assure the honourable member that the Executive Director was, in fact, consulted. —(Interjection)— I'm not sure that you were a practising Legal Aid lawyer. —(Interjection)— Well, Mr. Chairman, as to where or how that information was obtained, I can't tell you. I can only indicate that that was the basis of the report given to the Review Committee, and on that basis we dealt with the issue in their recommendation but we dealt with the recommendation independent of whether this event occurred or not, or this circumstance was correct or not.

We dealt on the basic principle and the approach and philosophy and the whole outreach program with respect to Legal Aid.

MR. PAWLEY Well, Mr. Chairman, the Minister can very well prove that his statement in the report is correct. As I understand it, a certificate would have to be issued in any instance in which Legal Aid lawyers made representations to any body. So that if the Minister wishes to substantiate the serious — and I take this as a rather serious allegation, there's three references to it throughout the report dealing with Legal Aid. Can the Minister advise me whether certificates were issued to permit two or three lawyers to appear as alleged before the Law Amendments Committee of the Legislature, to influence us as legislators?

MR. SPIVAK Mr. Chairman, I have indicated before that it is not my intention to go back in terms of the working material with respect to the Review Teams. I have indicated that there was a conclusion made that in fact this had happened and it's presented as part of the report along with the recommendation.

MR. PAWLEY Well, Mr. Chairman, I have to say with regret that the reason that the Minister is not prepared to go back, not prepared to provide us with information, is the fact that he knows even now that the information upon which he based that recommendation on is incorrect, is false, and I would be quite pleased at this point to move on if the Minister would either take my question as notice and check as to whether certificates were issued — which he can do — or check his information or freely acknowledge that the information referred to here is incorrect and false.

MR. SPIVAK Mr. Chairman, I'm not the appropriate Minister to deal with in this matter and I have indicated the methodology —(Interjection)— Well, I'm not. I have no intention, and I've indicated before, of going into the working material that was available. The information is supplied and the honourable members may or may not believe it to be correct. They may think it is incorrect. But it's on the table as part of the information and along with the recommendation itself.

MR. PAWLEY Mr. Chairman, I do believe that this is a serious allegation. Unfortunately we can't obtain an answer from . . . I believe that this very allegation based upon incorrect information, is the type of bias that seeps in through the entire report dealing with Legal Aid. Mr. Chairman, the Minister is doing absolutely nothing to try to relieve our concerns in this respect. I intend, certainly, to pursue this with the Attorney-General. The Attorney-General is present. Possibly the Attorney-General can add some information as to the basis upon which the Task Force arrived at these alleged facts. Possibly it's from the Attorney-General that the Minister reporting received the information.

MR. CHAIRMAN I might point out to the Member for Selkirk that the Attorney-General's Estimates are not before us. They will be one of these days, or one of these weeks, and at that time you can ask the Attorney-General that question.

MR. SPIVAK Mr. Chairman, I want to point out for the record, that I have not indicated at all that the facts are incorrect. The honourable member has talked about that. I have indicated the facts have been presented. I want to indicate as well that I am not relieving him one way or the other. The facts are there and the recommendation has been put forward as part of the Task Force itself.

Now the honourable member can ask any questions he wants. I tried to indicate the methodology with respect to not only the Task Force but with respect to the Legal Aid overview in the special study. The information that was available upon which certain conclusions were made were based on that. But I want to assure the honourable member — and he may accept that assurance or not — that when the matter came up with respect to this item, not dealing with the particular facts, but on the principle of whether in fact Legal Aid should, in fact, be provided for those appearing Law Amendments, before the Committees of the Legislature, there was a judgment on the part of the members of the Task Force that this not be undertaken, that this was a function that could be performed by the individuals themselves, that there was no need for that and that if, in fact,

there were potential savings in the future to be made as a result of it, that in fact that should be made.

MR. PAWLEY Well, could I ask the Minister then whether he would agree that one who is a Legal Aid lawyer, who has experiences to offer to the committee that would be relevant to legislation that the Legislature is dealing with, that he would be perfectly free to present that information on the basis of his recommendation' as long as he was not doing it as a result of receiving remuneration from Legal Aid?

MR. SPIVAK No question about that. Absolutely no question about that. There's no question about that. I mean, I agree with the honourable member, there's no . . .

MR. PAWLEY There is no question in your mind that he should be perfectly free to do so?

MR. SPIVAK Sure.

MR. PAWLEY In his personal capacity?

MR. SPIVAK That's right.

MR. PAWLEY Well, Mr. Chairman, then I have to present another statement to the Minister, that it is my view — and I would challenge the Minister to disabuse me of this view — that the very reason by which the conclusions were arrived at on Page 30, is because two Legal Aid lawyers, in their personal capacity, did offer the benefit of their experiences in Family Law to this committee last December and presented to this committee, in their personal capacity, not as a result of receiving certificates from Legal Aid, the benefit of their accumulated experience in Family Law; and as a result of that some of his colleagues, I believe, were a little testy over the fact that the lawyers in question did not present briefs to the liking of the government. It was as a result of that representation, Mr. Chairman, and I say to the Minister that this reference has seeped into this report, because this government is bitter and vindictive still as a result of the fact that two Legal Aid lawyers did see fit to provide this Law Amendments Committee with the benefit of their own personal experiences pertaining to Family Law and indicated, Mr. Chairman, that the Family Law that was passed June of 1977 ought not to be suspended but should be proceeded with.

MR. SPIVAK Well, Mr. Chairman, you asked my opinion with respect to the ability of Legal Aid lawyers to be able to come forward as any other lawyers can come forward with respect to any particular bill before the Legislature and present their own personal opinion. I must say that when we were in opposition I remember very vividly the appearance of Mr. Cantlie, who I believe is a solicitor for the Securities Commission, at the time of The Landlord and Tenant Act. I remember his clause by clause analysis, which I felt at that time was a fairly devastating analysis of the drafting at the time, although he really didn't deal on the policy matters, he dealt with the drafting that was presented and what he felt would be the confusion caused. As a matter of fact, I think the bill essentially was redrafted over the weekend as a result of his recommendations, incorporating most of the suggestions and the bill that came out was a far better bill. I'm quite aware of the fact that he appeared here at that time before this committee in his own person, and I didn't in any way question that and I felt that was a contribution. I'm not in any way quarrelling with that contribution.

But I think that there is a distinction between those who are employed within Legal Aid carrying out a function for which they are being paid at a public service with respect to Law Amendments, when anyone in fact can appear and the requirement for legal support is not necessary. Some of the best presentations in this committee have been made — well, not this committee, it's not a Committee of the Whole, but in Law Amendments Committee — have been made by people who in fact were not prompted, organized or encouraged by those in the legal profession.

So, Mr. Chairman, I don't quarrel with the honourable member but I think that there is a requirement in looking at Legal Aid which is really the basis on which the report was made, to try and get back to the essential principles of what Legal Aid should, in fact, be.

I want to point out as well, Mr. Chairman, that with respect to the whole Outreach Program, it's tempered by the restraint program that exists at the present time and the need for some degree of control. There's recognition in the Task Force recommendations and I want to put this in the record that with respect to Legal Aid, while it would be recommended that it come within the Attorney-General's office, that ultimately within the Department of Community Service that would be formulated if in fact the recommendations were adopted, that Legal Aid ultimately would become

part of Community Service as opposed to being operated under the Attorney-General and that is contained within the recommendations here, on the basis that the Outreach Programs could in fact be adopted when in fact there has been some consolidation of the Community Services offices, so that in effect your staffing at that point would be able to deal with a number of items including Legal Aid matters themselves.

So that I think that in terms of the overall approach of the report, it doesn't represent a particular bias; it represents an attempt to try and gain control of an operation which appeared to be going against some of the basic reasons for its existence and the expansion that has taken place, and in the Outreach Program; an attempt to reform it at the present time and an attempt to recognize that the change would have to take place and then once that change took place that there could be an ability to put it within the function of government which would make it more accessible and easily handled by the department people. If I can find the particular section I will refer the honourable members to it.

MR. PAWLEY Mr. Chairman, the Minister showered praise upon Mr. Cantlie and his representation which I understand was a constructive brief, though I was not in the committee when he presented it in '72. But he has very neatly avoided dealing with the two representations that were made by Mr. Savino and Mr. Peltz this past December when they appeared in a personal capacity. I felt they presented very constructive briefs dealing with family law legislation, and I will again repeat my charge as a result of the representations by Mr. Savino and Mr. Peltz, that the statement on Page 30 seeped into this report, Mr. Chairman, that it's a result of the representations by Mr. Savino and Mr. Peltz that the reference is made to appearances before the Law Amendments Committee, the references that we find on Page 30 of the report.

MR. SPIVAK Well, I'm not sure that statement is correct, Mr. Chairman.

MR. PAWLEY In what way is my statement not correct?

MR. SPIVAK I said that I am not sure that it's correct.

MR. PAWLEY Well, I wish the Minister would tell me in what way my statement is not correct.

MR. SPIVAK Well I have tried to indicate that facts were determined and opinions were given as a result of a questionnaire that was circulated. I'm sorry I don't have the exact figures. I am reluctant to give the figures; I think I know what they are but I am really reluctant to give them. They were substantial, in which there was a substantial circulation and a substantial number who returned it and on the basis of that, that information was to lawyers who were practicing.

MR. PAWLEY So the Minister then is indicating that the information upon which he arrived at these conclusions are based upon letters or results from questionnaires to lawyers and others in the community?

MR. SPIVAK That was part of the process along with information supplied by those who were involved in carrying out Legal Aid and others who were associated with it as a result of the review team's interviews.

MR. PAWLEY But surely, Mr. Chairman, if it's based upon hearsay that the Minister or his advisors made an effort to substantiate the allegations included in the results of the questionnaire before repeating those allegations in the report.

MR. SPIVAK I have already answered the question. There is no point in my continuing on with it.

MR. PAWLEY Well, you haven't, there has been no answer.

MR. SPIVAK Well, I have given you the information that I am going to give you; I know of no other information to give you. You can accept or reject it.

MR. CHAIRMAN The Member for St. Johns.

MR. CHERNIACK Mr. Chairman, you may recall that when Lloyd Axworthy, the Member for Fort Rouge, made comment on this report he called it shoddy. And I think it was at the first meeting

we had here that the Minister made some pretty dirty cracks at the calibre of Mr. Axworthy's own reports of whatever nature he makes.

Well, Mr. Chairman, here we have a situation where the Member for Selkirk has stated that he believes that there is a fact on Page 30 of Volume II which is blatantly untrue — a falsehood he said — and the Minister admits that a number of weeks ago he undertook to look into it.

MR. SPIVAK I did admit that, Mr. Chairman.

MR. CHERNIACK Well, just a moment, Mr. Chairman, please control him.

MR. SPIVAK On a point of order, Mr. Chairman. The Honourable Member for St. Johns keeps saying that I did this and I did that. I never admitted that, Mr. Chairman. It's all right for him to debate and it's all right for him to proceed but I did not. I said that I was not sure what I said. As far as I know, I indicated that I would try and deal with it. I did not indicate or commit that I would produce information.

MR. CHAIRMAN The Member for St. Johns.

MR. CHERNIACK Mr. Chairman, may I have the floor? I didn't say that he undertook to give information. I said he admits that he undertook to look into it. Now, did he or didn't he? If he didn't, I will withdraw the statement. That's what I said, admits that he undertook to look into it. Is that a wrong statement?

MR. CHAIRMAN I don't know; let's find out. The Minister.

MR. SPIVAK Mr. Chairman, I indicated that I determined from the members the methodology in which the facts were undertaken and on that basis I made my presentation to the committee.

MR. CHERNIACK Mr. Chairman, I am referring to an occasion in the Legislature when the Member for Selkirk asked the Minister about this allegation about two or three lawyers appearing before the Law Amendments Committee, and I say that the Minister undertook to look into it. Now, if he didn't I wish he would correct me now because I am going on the basis of what I think he admitted this evening, that he undertook to look into it. I didn't say he undertook to bring facts — undertook to look into it.

MR. SPIVAK Mr. Chairman, I indicated right at the beginning the facts of the Task Force stand as they have been presented. I have looked into the methodology. I have talked to the individuals with respect to the information and the compilation of it, and the facts that are presented are presented as they happen.\$

MR. CHERNIACK Mr. Chairman, the Minister just said the facts are as they happened. Earlier, he disassociated himself for responsibility for stating these facts.

MR. SPIVAK No, I did not.

MR. CHERNIACK Well, does he now say that indeed, while running far over its budget, the Society saw fit to employ two or three of its staff lawyers on appearances before the Law Amendments Committee? Is he saying that this is true?

MR. SPIVAK Mr. Chairman, that is what is in the Task Force.

MR. CHERNIACK Pardon?

MR. SPIVAK That is what is in the Task Force Report.

MR. CHERNIACK Well, Mr. Chairman, I don't need the Minister to tell me what's in the report; I've got the report in front of me.

MR. SPIVAK Well, then, read it.

MR. CHERNIACK He says read it, Mr. Chairman. I'm trying to read it and understand whether I should believe it or not. And I believed earlier that the Minister was disassociating himself from the statement of fact. Then I think he said, "Well, that's the fact; it says so there." And now I don't know, and now I don't even want him to . . . He can answer all he likes. but his answer no longer

interests me.

Mr. Chairman, I am satisfied that the description of Mr. Axworthy that this is a shoddy report was absolutely correct, Mr. Chairman. And the Minister then washes away what appears to be a blatantly untrue statement — and I quote the Member for Selkirk, and I believe it, too, because I don't remember any occasion when a Legal Aid lawyer did come on behalf of the society to make an appearance before Law Amendments Committee. Now the Minister says, "Even if it says it, we paid no attention to it in coming to a conclusion."

Mr. Chairman, if that were the truth, then why would they say it at all? As a matter of fact, if you look through this Legal Aid chapter you would be convinced that the task of this particular committee was to blacken Legal Aid, probably to the glee of the Member for Wolseley. Mr. Chairman, the word "shoddy" clearly applies. The word "shoddy" applies, I believe, to the performance of the Minister today who keeps saying put it on the table and doesn't himself put it on the table; who finally after, I think, a great deal of pressure, admitted that the conclusions arrived at were based on information as of November 1977 in the fiscal sense, that that doesn't apply now but he keeps saying accept our recommendations.

Mr. Chairman, I am happy to leave it to the Cabinet to deal with the recommendations as they see fit. But I am satisfied, Mr. Chairman, that many of the statements — when I say many, I base it on the few and I'm extrapolating like the member has had occasion to do the basis of the few inaccuracies that have been found that there are enough inaccuracies here to remove the credibility of the report. That does not mean, Mr. Chairman, in my opinion that many of the recommendations may not be valid, but the basis on which they're submitted, I think, is shoddy, and I quote Mr. Axworthy on that, and I think that clearly the efforts of this Committee are to justify a political position which has become untenable because of the fact that the Ministers — the responsible Ministers who are responsible for departments — are admitting that the waste and the fat and the mismanagement are not apparent in their departments, they're in the minds of the Minister whose salary we're dealing with and of his First Minister, and they are continuously trying to justify a previous position. The fact that they are now in their restraint program is one that we recognized before as one that is consistent with their philosophy and ideology to get government out of many of the services, and they have a right to it, and I think they even have a mandate to it. I just think that they misled the public by what they believed they could prove and now they can't.

Mr. Chairman, I don't even intend to vote against the Minister's Salary. I think he's earned the salary from the standpoint of the Conservative Government, and I think he's going to continue to earn that salary on behalf of the Conservative Government. So, as far as I'm concerned, you know, I just end up by saying this is a shoddy report and deserves the description given to it by Mr. Axworthy and to the extent that there are recommendations regarding Legal Aid they're a matter for the Attorney-General, and regarding anything else they're a matter for that department to be dealt with.

Unfortunately I found that several of the Ministers were not prepared to discuss the recommendations in their estimates and that is unfortunate.

So this whole report belongs in the Cabinet room; it would have been better off had it never gotten out of the Cabinet room. But I think that it has clearly been shown to be inadequately supported. The Minister is not prepared to even vouch for a simple statement of fact, which is a biased statement because it says even in spite of their running over their estimates they still employed someone to appear and that that is denied, but the Minister is now saying, "Well, you know, the report speaks for itself", and indeed, Mr. Chairman, I believe this report speaks for itself loudly and clearly for being the shoddy piece of work that it is.

Now, Mr. Chairman, at a quarter to 12, I wonder if we can get an indication from the government what their intentions are in regard to this. I don't have any particular interest in the Task Force Report. I know the Member for Transcona told me that he was looking forward to asking certain questions on this but he could not be here today. I'm wondering what is the intention of government as to Committee rising.

MR. CHAIRMAN The Government House Leader.

MR. JORGENSEN If that's decided the Committee will rise, if the Member for Transcona wants to ask further questions he'll have that opportunity back on the main item again. I would like to move on to the Manitoba Housing and Renewal Corporation which is the indication of the opposition that they wanted to examine that next, but if it's not tonight . . . Then we can go on to Manitoba Housing and Renewal Corporation on Thursday.

MR. CHAIRMAN The Member for St. Johns.

MR. CHERNIACK Mr. Chairman, I think it's a matter of a point of order. In my opinion there have been some general questions but the specific review has been limited to the first four chapters, I believe, and we've not gone beyond that in any specific review. Now is it the intention of the government to insist that we stay here and do a complete review of the balance of volume V and all of volume II? Well, if it isn't, then failing somebody else I'm prepared to move that the Committee rise, Mr. Chairman.

MR. CHAIRMAN Did you get an indication from the Government House Leader?

MR. CHERNIACK No, I didn't. No, I didn't, Mr. Chairman. I pointed out that we have covered four chapters which make up 32 pages out of the two volumes, although there have been other general questions.

MR. CHAIRMAN Have you made a motion that Committee rise? I am speaking to the Member for St. Johns.

MR. CHERNIACK I'm prepared to.

MR. CHAIRMAN Well, it's a non-debatable motion, are you making it or aren't you?

MR. CHERNIACK No, I'll withhold it.

MR. CHAIRMAN All right.

MR. CHERNIACK We'll see what other proposals are being made.

MR. CHAIRMAN The Minister of the Task Force.

MR. SPIVAK Mr. Chairman, there is no way in which the Committee is required to deal with this on a chapter by chapter basis. That has been really the way in which the members of the opposition have wanted to deal with this. The fact is we've been here now and we can continue on for hours. I think it's very obvious that I'm not going to convince the Honourable Member for St. Johns and he's not going to convince me. The recommendations are here. I'm prepared to deal with them, but I think that the theory that somehow or other we move from one chapter to another chapter to another chapter is the tactic that's been used. I don't think there's any requirement with respect to it and I just want to put that on the record.

With respect to the information that was asked by the Member for Selkirk — I'll just put this in the record — there were approximately 80 questionnaires that were sent out to those involved in legal aid, and there was approximately 50 questionnaires that were completed and returned.

MR. PAWLEY Who were they sent to?

MR. SPIVAK Well, you know, to those involved in legal aid; that is, those in the Law Society who are involved and have some . . . —(Interjection)— Lawyers.

MR. PAWLEY Mr. Chairman, I do have to pursue that and I want to pursue other matters but why would there be only 80 questionnaires sent out? It's my understanding — and the Attorney-General is here — but I believe there's between 300 and 400 that are in the legal aid . . .

MR. SPIVAK Well, I have to indicate that there was obviously a selection made as to how . . .

MR. PAWLEY Which lawyers?

MR. SPIVAK Well, I can't tell you that. I just simply indicated that that was the procedure that was adopted by the consideration study, and I indicated right at the beginning that each review team made its own determination of its methodology.

MR. PAWLEY How would it be determined that lawyer A would receive a questionnaire to complete and that lawyer B would not receive

MR. SPIVAK Mr. Chairman, there was nothing to determine that necessary questionnaires would

be sent out, but the point is the decision was made. It was made on that basis. That was the methodology used by the review team.

MR. PAWLEY Mr. Chairman, surely the Minister could advise us what criteria was used in order to determine which lawyers would receive a questionnaire and which lawyers would not receive a questionnaire when there are — and I say to him, and I stand to be corrected — 300 to 400 lawyers on the legal aid panel?

MR. SPIVAK Mr. Chairman, again, the methodology used was to have the questionnaire sent out to approximately 80 and there were 50 that were returned.

MR. PAWLEY And so the Minister isn't prepared to provide me with the criteria that was used in determining selectively which lawyers it was felt could provide the Task Force Committee with some valuable information and which ones could not with respect to their inquiry.

MR. SPIVAK Mr. Chairman, the legal aid review team special study were not the only ones who in fact sent inquiries out by way of questionnaires. Other review teams did the same thing, they adopted their own procedures. Who they sent those questionnaires out to and the numbers they received and the information contained therein was really within the review team's purview and I'm not going to get myself involved in that. That was part of the method of trying to determine the information. They made the choice or the selection on their own.

MR. PAWLEY Can the Minister assure us that the selection was based upon objective factors and not upon the basis of which lawyers would respond in a favourable light in the direction that the Task Force might wish their conclusions to be drawn . . . ?

MR. SPIVAK Well, I want to put it on the record that there was nothing in the Task Force appointment of the review team or the direction given to them as to what objectives had to be achieved or as to what a report had to be finalized. They did it on the basis of trying to obtain as quick information as they could, and I'm not in a position to deal with the basic criteria of the way in which they exercised their discretion, and I indicate that directive was part of the method but at least for the record I'm trying to indicate that that information . . .

MR. PAWLEY Mr. Chairman, I request an assurance from the Minister. I have indicated and I have charged and the Minister has not refuted my charge that the statements pertaining to lawyers being employed by Legal Aid to appear before Law Amendments Committee, I've stated that that is a falsehood. I've suggested to the Minister that that fact seeped into this report as a result of incorrect inference from the appearance of Messrs. Savino and Peltz before the Law Amendments Committee this past December. I now then must ask the Minister to provide the committee with assurance that the contracts, Mr. Peltz and Mr. Savino, both very competent lawyers, well respected in the legal community, were not renewed as a result of any representations which they had made to the Law Amendments Committee, because of faulty assumptions arrived at on Page 23 of the report. All I ask for is an assurance from the Minister that the faulty assumption did not contribute in any way, shape or form to the non-renewal of the contracts of those two very competent lawyers.

MR. SPIVAK Mr. Chairman, I am not accepting that these are faulty assumptions and I have no knowledge at all of the matters that the honourable member is referring to.

MR. PAWLEY Well then is the Minister now prepared to provide me, or the committee, with an assurance that Mr. Savino and Peltz's contracts were not renewed as a result of representations made by Savino and Peltz before the Law Amendments Committee this past December on Family Law.

MR. SPIVAK I have no knowledge of the individual contracts nor did in any way I or any member of the Task Force, that I'm aware of, dealt with it.

MR. PAWLEY Well, I say to the Minister and I make it as a statement of fact to him that the contracts were not renewed.

MR. SPIVAK Well, Mr. Chairman, you know, there were . . .

MR. PAWLEY The Minister may accept or may reject the basis of the information I'm providing to him but I'm saying to him that contracts were not renewed. I'm not charging at this point that the contracts were not renewed as a result of any activity before the Law Amendments Committee but all I'm asking the Minister for is an assurance that that did not enter into the non-renewal of the contracts in question.

MR. SPIVAK Mr. Chairman, I really have nothing to do with the renewal of contracts and I'm not involved with that but I want to point out to the honourable member so that the record will show, there were approximately 1,200 people who were employed by contract at the time the government changed. A number of the people, a substantial number of people, did not have their contract renewed. Those decisions were made by Ministers and were made based on the restraint program and I'm not in a position, nor can I in any way deal with it because they were not part and parcel of any decision that I was involved in. To the extent that there were recommendations made with respect to programs, they were certainly part of recommendations which may very well involve people, in which the decisions would be made the Ministers as to who would continue on if there was a reduction in dollar amounts available. But the honourable member is sort of subtly trying to suggest something that I am trying to indicate. I have no knowledge of it . . .

MR. PAWLEY I'm giving you opportunity to . . .

MR. SPIVAK Well, there's no question of opportunity. I'm not responsible, I'm not accountable in this sense, so that there is just no point of asking me in that sense. I'm prepared, Mr. Chairman, to take the collective responsibility of the members of the Executive Council for the actions of government and to that extent I have to and the honourable member knows that but I'm not responsible in this respect and there's no point posing that question or in posing that question of suggesting or implying that that, in fact, was the case unless he has some basis on which he can put that.

There were a number of people on contract who were not re-employed and choices and discretions were made by individual Ministers or, in this case, by Legal Aid, I would assume, but they did not involve myself. I may know who these people are, I really am not sure that I do and so I want to put that on the record. This is not something that I am familiar with and I just simply state that very clearly.

MR. PAWLEY Mr. Chairman, in the recommendations pertaining to Legal Aid, references are made to three cases. The basis for referring to the three cases is to suggest that the courts in fact found that actions commenced by Legal Aid were frivolous or unnecessary, they should never have been proceeded with. There is reference to the case of Rex versus Bronstein on Pages 24 and 25, Rex versus William George Hawley on Page 25, Rex versus Harry Roland Richard on Page 26. I would ask the Minister if he could advise the committee as to what investigations were undertaken in respect to these three stated cases in order that the committee could assure itself that these particular appeals lacked any basis for appeal.

MR. SPIVAK You mean on the part of the Task Force?

MR. PAWLEY Yes.

MR. SPIVAK There was an investigation undertaken.

MR. PAWLEY There was an investigation?

MR. SPIVAK Yes, Mr. Chairman.

MR. PAWLEY Well, then if I could refer the Minister then to Rex versus Harry Roland Richard case on Page 26. On Page 26 the first full paragraph, Page 26, states "In the case of the Queen against Harry Roland Richard, the Court of Appeal's judgment consisted of one sentence: We are unanimous in our view that there is no merit whatever in this appeal and it is accordingly dismissed." Now I would ask the Minister whether there was any effort to obtain the basis upon which the appeal was launched. What considerations entered into the launching of the appeal? Many appeals, I might advise the Minister, as he knows as a lawyer, are dismissed in similar fashion before the Court of Appeal. This is not an unusual . . .

MR. SPIVAK Mr. Chairman, the investigation was undertaken and the information in the Task Force stands as presented.

MR. PAWLEY Well is the Minister aware that the individual in question here was one that had no previous convictions, was retarded, 19 years of age, and the appeal was launched as a result of a . . .

MR. FERGUSON What does that have to do with the Task Force? My God, you start talking about individual cases . . .

MR. PAWLEY Well, Mr. Chairman, the Member for Gladstone has just . . .

A MEMBER Is the Member for Gladstone on your list, Mr. Chairman?

MR. CHAIRMAN The Member for Selkirk. Please address your remarks to the Chair.

MR. PAWLEY Well, Mr. Chairman, the Member for Gladstone has just disclosed his ignorance of the Task Force Report because if he'd read the Task Force Report he would know that I'm not the one that raised this case, it's the Task Force that raised this case and reference is made in the Task Force — farce report, I should say — to this case. —(Interjections)—

MR. CHAIRMAN The Member for Selkirk please carry on.

MR. PAWLEY Could I ask the Minister whether any effort was made to obtain this information?

MR. SPIVAK Mr. Chairman, there was an investigation taken, it was not just the review teams' recommendations that dealt with this. The Task Force did in fact deal with this; they did their own investigation and there is really no point of going through the procedures. I've indicated the Task Force recommendation is before the honourable member. If the honourable member feels that it is not warranted, he can so state and we have his opinion.

MR. PAWLEY Were the three cases in question that reference is made to, were they discussed with the executive director of Legal Aid Manitoba?

MR. SPIVAK I'm not going to deal with how or in what way we investigated this matter but I want to again place on the record that they in fact were dealt with.

MR. PAWLEY Mr. Chairman, I'm not going to continue to argue with the Minister but obviously the answer provided to us by the Minister indicates again the bias from which the Task Force launched its inquiry in this respect and the shoddy work that was undertaken by the Task Force.

MR. SPIVAK Mr. Chairman, I want to point out that there are a number of people who are involved with Legal Aid and who are as competent as I think the Member for Selkirk who do not hold the same views as the Member for Selkirk . . .

MR. PAWLEY No, I'm discussing your report.

MR. SPIVAK . . .Yes, and who in fact believe that the judgments of the courts really reflect a problem, Mr. Chairman ' which the Task Force tried to deal with. I can understand that there's disagreement on the part of the member who is the former Attorney-General but I've tried to indicate that we've placed this on the record after having completed our investigation of the matter and it stands. There's just really no point in pursuing the methods of determination of how we did this. If we hadn't investigated it, I would not so indicate.

MR. CHAIRMAN The Member for St. Johns, then the Attorney-General. The Attorney-General on a point of order.

MR. MERCIER If I could, Mr. Chairman, just correct the record. The Honourable Member for Selkirk, one of the members of Her Majesty's Loyal Opposition has referred in three cases to Rex versus the accused. Perhaps for the record, it could be shown that those cases are properly called Regina versus the accused, since 1951.

MR. CHAIRMAN All right, the Member for St. Johns.

MR. CHERNIACK I think that it's a wonderful thing that the Attorney-General has come here to make a positive contribution to the debate just now. I want to, for myself, thank the Attorney-General for the elucidation and clarity with which he spoke. I wish we could say the same for the Minister who has put so many things on the record that my head is almost reeling from it. But, Mr. Chairman, I want to put something on record. It is now tomorrow. If you can imagine that today could be tomorrow, then that is what has happened in the last few minutes. It is now five minutes after midnight.

MR. CHAIRMAN Can you imagine that.

MR. CHERNIACK Mr. Chairman, for the record —(Interjection)— Mr. Chairman, are you calling

something to order?

MR. CHAIRMAN I was just telling you, at 20 minutes past 10 this morning I was in this Chair and I've left it for very few hours today.

MR. CHERNIACK Mr. Chairman, I think you too are to be commended.

MR. CHAIRMAN Thank you, Sir.

MR. CHERNIACK Okay. Anybody else want to be commended? Mr. Chairman, I point out in more specifics that the Minister said, he put it on the record, that there is no understanding that one has to go page by page or chapter by chapter through this report and I want to remind him that it is on the record that some of us agreed with him that there is no compulsion. We're dealing with his salary. But I again want to remind him and the House Leader who is with us today, that it was stated more than once in the Legislature by the two Ministers I've just referred to that the Task Force Report can be dealt with in the Estimates in dealing with this Minister's salary. I'm not aware of any other place on the Orders of the Day where the Task Force Report can be dealt with and properly placed before the members of the Legislature.

MR. MacKENZIE Well that's what we're dealing with.

MR. CHERNIACK The Member for Roblin, Mr. Chairman, I'm afraid I can't commend him for anything, I don't even commend him for being here but if he would keep quiet, Mr. Chairman, it would be helpful to many of us.

So, Mr. Chairman, it was clearly stated — and I think an undertaking given — that there would be an opportunity for the members of the Legislature to deal with the Task Force Report on the Minister's salary. Now, Mr. Walding and I — I speak only for the two of us — said very early in these Estimates that we had in mind to go in an orderly fashion from the beginning to the end and we hoped that the committee would find it feasible so to do. Now I have to admit that there are a number of members who came in . . .

MR. CHAIRMAN Gentlemen, would you please let the Member for St. Johns continue with his remarks.

MR. CHERNIACK Mr. Chairman, I think Mr. Walding and I have kept pretty well within our — what's the word? — strategy for operations in that we were trying to stay pretty well in an orderly way and I know that he and I pretty well have completed what we had marked in the first 30-odd pages of Volume I. I don't think either of us has done very much going beyond that although other members have and I find that we have not touched on accountability and control, the entire operation within Cabinet, within Management Committee, within the Legislature itself, the accountability . . .

MR. CHAIRMAN To the Member for St. Johns, we have run off the master tape from Hansard so can you give us about a minute to put a new tape on.

MR. CHERNIACK Well, I don't think . . . There's an easier way of dealing with it.

MR. CHAIRMAN Well, it's not being taped in Hansard.

MR. CHERNIACK You know, Mr. Chairman, I don't have to speak for the record. The Minister has put lots on the record so I don't have to put that on the record.

MR. CHAIRMAN All right.

MR. CHERNIACK Now, Mr. Chairman, it seems to me that it would be a good idea to recess, Mr. Chairman, recess for the day. This might be just the right time because, you see, Mr. Chairman, some of the members who haven't attended Committee at all are the first to make contributions about, "Oh, no." The fact is, Mr. Chairman, I have learned that it has often been said that opposition controls the length of time but the government always has the whip hand in being able to cut things off.

Now I don't know whether it is the intention to tax our resources, to make us stay here all night, I don't know if that's the intention, but it is after midnight and I think that there is . . .

MR. CHAIRMAN To the Member for St. Johns. . .

MR. CHERNIACK I know I have the floor; I wish you would tell that to the Member for

Mr. Chairman, I think that I mentioned accountability and financial control has not been dealt with, then there is reorganization proposals not dealt with, and there are some twenty departments in Volume II that have only have been touched on very briefly. Now, Mr. Chairman, I have no intention of spending the night here and if the government will insist that we do, I am prepared to say all right. If the government has decided that they're going to cut off debate in that way by making it impossible physically or mentally for us to continue, I would have to accept that as a government decision. But, Mr. Chairman, I think it is rather early in dealing with a report which has taken up so much time of the government, in talking about how great it was, how great it is, that now that we are beginning to find some pretty substantial chinks in it, that there is the effort to cut us off and the effort to make us stay here in order to finish it today. The House Leader said, "Well, we'll finish the Salary today." Well, Mr. Chairman, you know, if he wants to. . . he's not bluffing me because he can tell me: "I intend you to stay until six in the morning," and I'll say, "Okay, if that's the way you operate, if that's your strategy of operation, I won't play your game and I won't be subject to being pushed around." So, Mr. Chairman, it's a choice for government; either they force us to stay or they accede to what is a sensible thing, we've been here. . . you've been here for much longer, Mr. Chairman, it's after midnight, and we can adjourn debate. The Committee can rise now. I don't know if the Minister can't take it anymore or whether the government feels that it has exhausted itself.

MR. CHAIRMAN My suggestion to the Member for St. Johns is to put the motion that Committee rise and see what happens. You aren't getting an answer from them, that way you will get an answer.

MR. CHERNIACK Mr. Chairman, I do appreciate your suggestion. I wish some of the comedians at the table would listen to you too to know what procedures are. All right, Mr. Chairman, I move that the Committee rise.

MOTION presented and lost.

MR. CHAIRMAN The Member for Roblin did not vote. The Honourable Member for St. Johns.

MR. CHERNIACK Mr. Chairman, I want to apologize to some of the members of the Conservative Party. Some of them are not clowns. I want that clearly on the record. In my opinion, some of them are not clowns.

Mr. Chairman, I am satisfied that we have pretty well shown that this report has a great deal of improvement that could have been made for it. The fact that it was rushed is unfortunate. If it were a report of recommendations to Cabinet, it didn't have to come this quickly, it could have been done in their time but the fact is that they had a mission to perform and the mission has been accomplished and that is to continuously try to, what was the words used by the Minister, "to indict the former government." Well, if they feel they have succeeded, that's their pleasure and their satisfaction. But, Mr. Chairman, I want to make it clearly on the record that we have not had an opportunity to discuss many of the statements and recommendations of the report and I for one, will not let the government decide for me that I'm going to work indefinitely into the night. So, Mr. Chairman, I hope honourable members won't be too hurt if I leave.

MR. CHAIRMAN No other speakers being listed on my page of where I record the persons interested in speaking, I will call the question. 1.(b)—pass. Gentlemen of the Committee, 1.(b) is now passed. Committee rise.

SUPPLY — HEALTH AND SOCIAL DEVELOPMENT

MR. CHAIRMAN, Mr. Abe Kovnats I would like to draw the honourable members' attention to Page 38, Health and Social Development. We are on Clause 3, Community Operations Division; (c) Child and Family Services; (1) Salaries; (c)(1)—pass — The Honourable Member for St. Boniface.

MR. DESJARDINS Mr. Chairman, when we adjourned the House for the dinner hour, I think we were finding something quite interesting. I am referring to the Abuse Centre. As I stated, this is something that had been reviewed in discussion with the different groups, the experts in this field,

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there was, I remember, Dr. McRae because I think everybody knows him, who is interested in this service, and also the Children's Aid Society of Winnipeg, at their request, the special unit of the Winnipeg police. And I had stated that I wasn't too concerned who controlled the program. The Minister had said that this would be administered as a special unit by the Children's Aid Society of Winnipeg and I think three staff man years in the department would be transferred to this unit. I wonder if the Minister, when he gets up to answer these questions, if he can tell us where they were transferred from, where should that reduction take place? It's not under this item because the item is the same. And then we'll be paying, so that should be remembered that in the future we'll be talking about three less staff man years; though these people are there, they're just being paid by the government, but the program is administered by the Children's Aid Society of Winnipeg.

But my concern, Mr. Chairman, is this, that all of a sudden at the dinner hour, to my surprise and to my chagrin I found out that this unit, that the Children's Aid Society of Winnipeg would deliver the service all right, with the expertise that they have, but only to the people of the Greater Winnipeg area. Now I was told and this is something new that the Children's Aid Society in the other areas will deliver the service in those areas, and I don't think that is good enough.

First of all, are they getting extra funds for this new program? Are they getting extra staff? And what kind of staff are they getting? Now I want to be assured that we are delivering the service because don't kid yourself the abuse of children are not with one group of racial origin or a city group or a group in a different financial or revenue bracket. You find child abuse in all kinds of people in society. I think that that was proven.

Now I don't think that that is good enough. That was one of the big concerns that we had at the time and why this was reviewed and the talk originally to take it away from the administration of the Children's Aid Society of Winnipeg, because we felt they should be a unit that would deliver the service that would be available with the expertise and so on to deliver the service to all the people of Manitoba. I am quite concerned if this is not the case.

I am told, yes, the other Children's Aid groups are going to deliver that. But is all Manitoba covered? And with what kind of expertise? Are they getting more funds? Are they getting more people? I am quite concerned. I was very pleased with the announcement of the Minister, I was satisfied, it didn't matter to me too much. I have no ideology hangups who's going to control the programs as long as we have the right people, but this concerns me very much. And the Minister, to my chargin, also stated that the 20 bed psychiatric extended treatment which he has been wanting and which I and all the people of Manitoba have been wanting is still not in existence and again I'm not sure of the reason for it. I'm told it's not because of a freeze and then the Minister said well with the situation and the construction at the Health Sciences Centre that's frozen and, therefore, we can't do anything about that. There was some special fund last year voted for that. I think the construction was going to be paid if I remember by the Manitoba Health Services Commission. I'm not too sure about that but there was a special fund and that was always a priority. I know it takes a long time but that was a priority, this is something that is needed.

This is just like a big jigsaw puzzle, Mr. Chairman, you know, you've got a very complex and very difficult problem here in this thing of child care and you need all kinds of different things. You can't advance just in one direction, for instance that you're going to try to have more foster homes because you're going to increase the rates, that's good. But that's also one part of the puzzle only and certainly these beds are very needed and if you have these beds it's part of the whole treatment, it's not just with the 20 people that you'll have there. I think one thing that we haven't talked about, one very important thing, is that also there'll be day patients in that hospital. I know that the Minister is quite concerned but I still feel this is part of the freeze and unfortunately it shouldn't be.

Now I think it would be a mistake . . . If it's a temporary situation and if the centre is built somewhere else, I can accept that because we've got to have something, if need be of a temporary nature, but I hope that in the final analysis it will be built where it will be used by the staff psychiatrists at the Health Sciences Centre.

I'm pleased to note that the Wilderness Camp although apparently it's not going to be in the Duck Mountain, that's no concern of mine where it is if it's functioning and I'm very pleased to know that this is —(Interjection)— Well then, I'm not too sure of that's no good because. . .

I think there was something that was very important also. It was reviewing the possible placement of some of the group home resources in the north. In the past we've had these homes right here

in Winnipeg and most of the patients were people coming from the north and it was felt that . . . Mind you we had enough of these beds at the time and I wouldn't fault the Minister if this was new beds . There has to be a kind of a trade-off somewhere but the idea was if there were going to be any new facilities it wouldn't hurt to have something up north maybe in Thompson or in that area. The Minister hasn't commented on this yet. My main concern right now is that Child Abuse Centre and I hope that my fears are not founded and all the people of Manitoba will be taken care of.

MR. CHAIRMAN The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin) Mr. Chairman, this is a very important subject matter that is before us on this item and I would have not rose to my feet unless I've had some experience over the years to see of some of the problems that we have ourselves involved with this particular item. I don't think and I don't think there's any member of this Chamber regardless of his political stripe who thinks that dollars is going to solve the problem. I can take members of the committee or others to my constituency, a family, a mother and father, a married woman and a man who adopted three children at a certain time. Two of those children are in jail and the other one is retarded. They adopted them in good faith and with all the home-loving care that one family could possibly get, those children got that care. And regardless of the dollars that we expend on this from the government, or any government, or the directives of Ministers or the expertise that we have in the government and in the professional services, it is a very very difficult matter. I know the Minister is going to wrestle it the best he can, just the same as the former Minister in the former government, and hopefully we can surely come up with some solutions better than it has been. And I don't quarrel with governments of the past, because it's a most difficult problem today because of the new type of family unit that was not related to my days or other members that are about my age in the Legislature. —(Interjection)— I know and I understand that is another difficult problem that we have to face and deal with.

So I hope that in our wisdom and in our judgment that we can, with all the knowledge and the brains and the expertise we have in the department, try and make it a little better than it has been in the past because I have some families in my constituency who have had some bad experiences from the children that they have adopted, and adopted in good faith and gave them a home. Unfortunately the children were not able to fit into that environment or become part of that family union and it has become a most difficult problem today.

I know that we don't have all the answers and we maybe should expend more dollars and bring more expertise because the problem is not going to go away. So I do give my blessing to the committee and hope that I can, as a member of the committee, help the former Minister and this Minister, and the members of the Legislature, to resolve this very very difficult problem.

MR. CHAIRMAN The Honourable Member for Wellington.

MR. BRIAN CORRIN Mr. Chairman, I am very pleased to hear the remarks made by my honourable friend from Roblin. That gentleman, as a matter of fact, amplifies and reinforces some of my own feelings respecting the need for special services in rural Manitoban communities.

The Member for St. Boniface was indicating earlier, in response to a statement made just before the dinner break, that he felt that there was a special need for special services and arrangements in rural communities. He was motivated to make that statement because he had heard, as we all had prior to five-thirty, that the Minister had made provision, I believe, for an additional \$61,000 and three extra staff persons to be seconded and provided to the Children's Aid Society of Winnipeg for the purpose of preventing and fighting child abuse incidents in this city. I believe he said that almost any expenditures can be justified. I think that's a proper quote.

I am concerned as to what needs it might present in the rural communities and as I said, my concern has been amplified and reinforced by the Honourable Member for Roblin, and so I would ask the Minister whether he could tell us whether it has been decided to allocate similar resources to other urban areas as well as rural communities throughout the province, in order to assist them in retaining vigilance, remaining vigilant and protecting the communities secure against incidents of child abuse?

MR. CHAIRMAN The Honourable Member for St. Boniface.

MR. DESJARDINS Mr. Chairman, I expect the Minister will be speaking on this child abuse thing,

but after the comments of the Honourable Member for Roblin I would like to say a word here. The Member for Roblin is worried about the foster parents. He seems to be worried about the foster parents more than anybody else. So am I, and this is why we felt that there should be at least an increase and you will never be able to pay what it is worth to keep these children. But the Member for Roblin should know that this is not an easy matter. You are going with some of the children that never had this love. You know, many families, many parents, and probably some of us, have trouble with their own children. How are you going to guarantee that if you are a foster parent that you are not going to have any problems? If you want to run it as a business to make a few bucks or so or to get cheap labour, I'm not concerned about them at all. I'm concerned about the children. These are the people that I would hope know what they are doing when they accept to be foster parents. They are taking children that, in most cases, will have some trouble because these people have been left, and you can just imagine children who were brought up without the love of a father and a mother. You know, it is easy to be adopted if you are a cute little girl of two years old, blond and blue eyes, there is no problem there. But if you have got a harelip and you are 15 or 12 or something like that, and if you are maybe of native origin, it is a little more difficult.

So, I am certainly not saying that the children should not be responsible, but I am saying, let's face facts and let's be practical. This is a problem that we are going to have and it is not everybody — I think this is what the member reminds me — this is one thing that we felt, that to qualify — I had forgotten that and now it comes back — to qualify for this increase in these per diem rates, I think it was felt that these foster parents would take a certain course. It's not a long course, some instructions, I'm not suggesting they will have to go to university to be able to cope with this. At times it will be difficult and at times these people might be very good and they just can't do anything with a certain child. Now, if they get somebody else they might be able to do it.

But this is something, you know, it is not just something glamorous, it is people coming up who want to do something, they are volunteers in a way. They are getting a very small amount of money which is not going to pay for them, but they might be repaid by the love that they give the children and the children in return, if they can win these children, and they are going to make it possible for these children who have no fathers or mothers, or they have been abandoned, to live a life as normal as possible. I think that is repayment of some kind. Now, I know of the concern but I didn't want to let this thing pass by just having somebody show concern only for foster parents and thinking that these other people, these children, are a breed of their own and they are criminals and, you know, they are bad. I don't think there is such a thing as a bad child but if we found out what their problems are, I think that then we could cope with them. So I wanted to have that

MR. CHAIRMAN The Honourable Member for Roblin.

MR. McKENZIE Thank you, Mr. Chairman. I just don't want to mislead the Committee on words that I have already put into the record. I am talking about parents that have adopted children as babes in arms, and adopted them with tender loving care and took them home thinking that those children were of reasonable high I.Q., and found out after they became a certain age that they were not of that particular — the one, the case that I raise is the one where the two boys are now under the security of the province and the girl is highly retarded. These were cases of those parents taking them into a home of tender loving care, and found out that the children for reasons that I don't understand — and maybe some of the department heads or expertise — that they just didn't fit in. So it becomes a real serious problem from there on.

MR. CHAIRMAN The Honourable Member for St. Boniface.

MR. DESJARDINS Mr. Chairman, I think that with the last words of my honourable friend, that this is worse now. I think the situation is worse. This concern then I don't share as much. He is talking about now, not foster parents but adoption, and he is saying that somebody in good faith adopted a two-year-old child thinking that the child was bright and so on and then they found out — (Interjection) — All right, three-year-old. They found out that that wasn't the case. — (Interjection) — Well all right three, maybe they should have started with one. I don't feel that these people then are qualified for adoption, and I don't know who he is talking about. If they feel they should have a guarantee, you know, what guarantee does the honourable member have or myself or any members in this House that when you have your own child, a natural child, that it will have a high I.Q., it won't be retarded or it won't be sick. I don't think there is such a thing. You know, I think that these people that are going out that are putting their names in because they want adoption, they

have the right first of all to specify what they want. They could wait maybe twenty-five years by saying, "We will only take a little girl with blonde hair and blue eyes, and she has to be six months old." They can wait a long time or they can say, "We want to be parents, yes. . . an I.Q. such as we haven't seen here in Manitoba." But there are other people that will say, "We just want a child. We can't have any children of our own. We want to give love to somebody." And those are the people that need it. You know, this is not just something that you are going to be stylish, and it is the style, it is the thing to do, you are going to adopt children, and they have got to be well behaved or you will turn them back and cash them in and get others. We are talking about children. The ones that need it the most are those — and I am certainly not lecturing anybody — but the ones that need it the most are those that are difficult, those that are retarded, those that can't fend for themselves at all times. So, you know, this is not just a game that what have you got for my friends that want to adopt kids, could you guarantee this, could you guarantee that? I think that that is asking too much. If these people want that I think that then they should forget it, because they might be disappointed and then they feel, "Well, I did it in good faith. I wanted somebody in good faith. I offered them love but I can't get to them so I was fooled."

I don't feel sorry — I feel sorry for the children. I would hope that we have less and less of these kids in society, but the people that are asking for adoption can't get a five-year guarantee or so many miles and then turn it in and get a new one if it doesn't work. We're talking about people here, we're talking about kids. There might be many reasons why they seem retarded, or they can't cope with society. Maybe society hasn't been too fair with those people.

This is the thing that I said, I think that we agreed, it's not just a question of money, because you will not replace love. You can pay people all the money in the world, if there's not love and concern for the human being, you won't change that at all, Mr. Chairman.

MR. CHAIRMAN The Honourable Member for Wellington. —(Interjection)—

MR. CORRIN I don't know if that's a point of order, Mr. Chairman. I feel motivated, Mr. Chairman, to rise in order to retract my tribute to the Member for Roblin. I obviously had misunderstood him. I was shocked that he would take such a humanistic position in this Chamber, but there was no need for me to be shocked. He has reverted to form. I would suggest to the Member for Roblin that he communicate his concerns to the Minister of Consumer Affairs, and perhaps his government can introduce a new adoption bill that would provide proper warranties, so that people, of necessity, when they were contemplating adoption proceedings, could also get a proper warranty, like on a washing machine, or an automobile, and if the merchandise was faulty, or in some way didn't meet the standard expected, they could effect a return. —(Interjection)— The last haven of an ignorant mind, Mr. Chairman.

Perhaps the Honourable Minister now could enlighten us as to whether or not there will be additional funds allocated to the rural areas in order to fight incidence of child abuse throughout the province and indicate whether or not rural and other urban areas will get the same treatment as has been accorded the City of Winnipeg.

MR. CHAIRMAN The Honourable Minister.

MR. SHERMAN Mr. Chairman, we're talking basically at this juncture about child abuse, and I want to say to honourable members that the determination to expand the capacity of the Children's Aid Society in Winnipeg to deal with and cope with and fight child abuse, is based on the conviction on the part of this government that it is more practical and probably more sensible in an economic way to equip that agency that has some considerable expertise in the field through additional funding and the supply of three additional staff man years seconded from our department to them, rather than setting up another body, a quasi-official freestanding body that would represent another bureaucratic agency, and would in effect be taking unto itself or be assigned a responsibility in a field of expertise in which we believe the Children's Aid Societies, and particularly in this case the Children's Aid Society of Winnipeg, possess expertise that should be utilized and should be supported.

As a consequence, while I recognize the recommendations of the committee to which the Honourable Member for St. Boniface refers, and while I commend the committee for its work, I suggest that the government exercised a prerogative in making a decision, and I think that that's government's right. It was our conclusion that it was better to equip the Children's Aid Society to do it than to set up an additional freestanding agency. If that proves to be wrong, then I will be

prepared to admit it, but I think that we have the responsibility to make that kind of decision, whether members opposite agree with that decision or not, that's the legislative process, but it was our decision to do it this way.

As far as the rural areas of the province are concerned, in response to the Honourable Member for Wellington, and the Honourable Members for St. Boniface and Roblin, the other Children's Aid Societies, CASs of Western Manitoba, Central and Eastern Manitoba. all have this capacity to deal with child abuse cases. Child abuse is, in a professional sense, in terms of the expertise that's motivated to deal with it, really an extension of the whole child neglect question and I'm satisfied that those other Children's Aid Societies have the capacity and are equipped to deal with child abuse and child neglect cases in their areas. In areas outside of those served by Children's Aid Societies, we have other child caring institutions in our own departmental regional offices who deal with the same problems. Serious cases, especially difficult cases can always be referred to the CAS of Winnipeg, but insofar as they can be dealt with in their own areas and regions, that is where they will be dealt with.

There are no funds or SMYs of the nature being specifically designated for CAS of Winnipeg that have been specifically and precisely assigned to the service in the rural areas, that is at the core of the questions of the honourable members who have just spoken. But, there is an increase in the appropriation for this branch and for this service generally, of approximately \$1 million, and that increase makes itself felt across the whole spectrum of the branch and its programs and services, and will reflect itself in some additional resources for child and family services, including child abuse work, anti-child abuse work in rural Manitoba.

I would hope that we'll be in a position, as a government, to move much more definitively and much more broadly in the campaign against child abuse in the years immediately ahead. This is a start. I'm not suggesting that it's an answer, or the final solution to a problem. It's a start which reflects a certain conviction on the part of the government, and certainly on the part of the present Minister, that more is needed to fight child abuse, and in a year of restraint, when it has not been simple to obtain additional resources, I consider it a not insignificant achievement to be able to take the one step that we are taking. I'm not holding it up to members opposite as the be-all and the end-all of an exercise, and as the only step that needs to be taken. I recognize that there has to be more done in rural Manitoba and in the urban centres of Manitoba, but this is a step, it's a start, it's an improvement, and it also gives us an opportunity to test the validity of the concept that the existing agencies equipped in this field should be the ones funded and sufficiently supported with resources to do it, rather than going to a new, outside agency.

The general picture on child abuse in Winnipeg — and I can't give my honourable friend opposite at this juncture the picture for the whole of Manitoba — but in Winnipeg of 95 cases of child abuse that surfaced and heaven knows, we all know that as we are standing here debating this issue at this moment, there is a child somewhere in Winnipeg, somewhere in Manitoba, being abused, if not tortured. But of those who surfaced, there were 95 cases in Winnipeg. One of them was reported in St. Boniface, one of them was in the Charleswood-Assiniboia area, and the rest were in the area covered by the Children's Aid Society of Winnipeg.

So it's not a matter of socio-economics; it's not a matter of ethnic background; it's not a matter of social strata, I agree with the Honourable Member for St. Boniface. But just by virtue of the fact that the heaviest, most over-crowded, most highly-pressured concentration of Manitobans in the province is in the concrete jungle of the City of Winnipeg, it follows perhaps naturally and certainly unfortunately that a high incidence of the cases of child abuse that at least surface come from the primary City of Winnipeg. So it was felt that if we could move anywhere this year, that would be the area in which we should start to undertake our initiatives.

I can now give the honourable members opposite the total for the province. I said 95 cases in Winnipeg last year; there were 158 for the province as a whole. So that would put 63 cases outside of Winnipeg. That's not a numeral to be minimized or overlooked. Hopefully, we can move in that area in the near future. In the meantime, the Children's Aid Societies in those areas and our own regional offices in those areas have the responsibility.\$

The Honourable Member for St. Boniface referred again to the psychiatric facility. I think I have attempted to answer that question — not satisfactorily for either him or me. All I can say to him is that I am working on it, pushing it, pressing it; I know we need somewhere between a dozen and 20 psychiatric beds for severely disturbed juveniles and we need some for adults, but particularly in the adolescent and juvenile field. I don't think I have made any secret about the fact that I think

that that is a top priority crisis area to which I have to address myself. I have said it inside and outside the Chamber, and I am attempting to work out the mechanics of an arrangement as practically and as quickly as I possibly can that will enable us to get some of those beds freed up and into use without having to go the complete route at this juncture, which would be a slow route, of building a new facility, although a new facility is something that I would like to plan and project for the future.

The Honourable Member for St. Boniface asked me about child and family services in the north, particularly the area of foster care and group home care for children in northern parts of Manitoba. That is a subject that's under close study and scrutiny by my department officials, including my Deputy Minister and myself. We have looked at a number of possible sites in the north for group homes. There has been a pretty well formulated proposal for an external institutional facility along the lines of Marymount School for one centre in the north. We have studied the practicality of that and compared the viability of perhaps moving to introduce two or three group homes in different centres in the north, rather than concentrating everything in one major institutional-type facility in one northern centre. The reason being that no matter where you go in the north — and I would defer to our northern representatives including the Honourable Member for Flin Flon — but from what limited exposure I have had to the north, I think it's very difficult to say that there is any one particular community that is recognized generally across the north as the centre of the north, or the headquarters of the north, or the community that speaks for the north. There are different local and regional interests, as there are in the other parts of the province. And so I think probably there is considerable validity to looking at a program that would enable us to perhaps produce three groups homes in each of three different northern centres, rather than going for one concentration type of undertaking in one centre.

There was one other question that the Honourable Member for St. Boniface asked me, which I hadn't answered, and that had to do with the office of residential care. It is functioning full-scale. It is functioning well. It has the responsibility for overseeing the licensing and the registry in this field. And I think a day or two ago I gave the honourable member a list of the group homes on the registry.

MR. CHAIRMAN The Honourable Member for St. Boniface.

MR. DESJARDINS Mr. Chairman, to say that I am disappointed would be an understatement. Either the Minister does not understand my concern or chose not to understand. In either case, I think he is misrepresenting to the House. He would have it appear as if there is a battle. As if, first of all, we are challenging the right of the Minister or the government or the department to make decisions, which certainly would be ridiculous. They have the mandate to govern and they are doing it, and this was never even mentioned. Then they would have us, on this side of the House here, being very insistent that the Children's Aid Society of Winnipeg should not conduct this service and should not be in charge of this unit. This is not the case at all and I repeated that two or three times. That is not my concern.

My concern, though, is that whoever does it should deliver the service to all Manitoba. When the Minister first rose he said, "There, finally, this is an area that I don't care how much is spent. And nobody in this House should worry about what to spend when you're thinking of these children being abused." And we all agree to that. And then he made an announcement of what there was going to be, as if was something new. It is not something new. It was something that was voted on last year, that was agreed on last year. But it was felt by the department and I would be very surprised if anybody on the staff of the department, or any of the people on that committee that work on their recommendation — and all the experts that we could find were on that committee — would be able to say that the service is adequate. And actually what are we doing? Exactly what was done before, before this work was done, before this committee got together to try to move in that direction, as we were advised to do by the Minister who was sitting on this side of the House last year and we recognize that we were behind on that and finally there was a move in that direction. Now granted there will be more funds going to the Children's Aid Society of Winnipeg and at least there will be a transfer of three people that when they work for the government it's all a bureaucracy but the minute that they do the same work but they get their cheque from somebody else it's an exchange, but there is nothing at all they've done for the north or for the area outside of the province. The Minister publicly made a big announcement on this and today he did not know the situation outside of Winnipeg and I don't think that this is right.

I don't care, I'll repeat, Mr. Chairman, so there's no misunderstanding, we on this side of the House do not really care who administers the program, the unit, but we feel that this is something that should cover all of Manitoba. There is no reason. It's not any better or you can't excuse more

a child being beaten in Thompson than one in Greater Winnipeg or a reserve somewhere else and you've had some of these doctors from this area who are quite interested and would volunteer to go and work in other areas also in this field. The recommendation was that this unit would employ a doctor half time, a specialist half time for this. Is he going to work only in the Greater Winnipeg area now? And it was felt that there should be a 24-hour therapeutic service established not too far from these 20 beds, the psychiatric unit for the children that we were talking about. I felt that we were moving in that direction and I was very pleased and the big thing today, as far as I'm concerned' is service to these abused children, not who's going to run the program, I have no hangup about that. I don't care if it's the government or the Children's Aid Society or Joe Blow as long as the service is given, but I can't see that well it's a good start, you know, we're going to do it in the City of Winnipeg but to hell with the north and to hell with the rural areas because there's a restraint and we're going to do that later on. That, Mr. Chairman, is not good enough. I repeat I don't care who does it, but this should be a freestanding unit and it could be the Children's Aid Society of Winnipeg, they hire people to do it, but there's got to be at least . . . If my honourable friend could read Hansard on page 864 to 869 of last year, he felt that in this area there was no accountability, there was no co-ordination and so on because the government wasn't doing it, and this is the direction that we were moving.

Mr. Chairman, I praise the Minister for what he's doing, but I say this is not enough. If we announce a big thing that we're going to finally try to do something with this and even the 65 or something like this outside of Winnipeg, those are probably reported cases — (Interjection)— That's right, that's right, but my honourable friend then will see that there are more than that and I think that the chances are that there would be more unreported cases where there's less doctors, less specialists. I think that my honourable friend will agree with me that this is probably the case. There has been an improvement in this, many of the doctors are reporting it now. There's not doubt that they are not all reported, but I would think that it's obvious that there would be more of those cases that are not reported outside of the City of Winnipeg where there is more facilities to start with. So, Mr. Chairman, if the Minister's going to get up and say well all right this is in an area where we don't care about restraint because nobody wants to see kids abused and we're going to change this. And it's not being changed, it's less than was being contemplated last year that was going to be done because at least the service would be extended to all the people of Manitoba and this is not the case.

Now, my honourable friend said this, "The other Children's Aid Societies have the responsibility," and that's not good enough for me. You know, it's easy to say this is what we're going to do, but we delegate so-and-so and then case closed. That's not good enough for me because it was found . . . You know just because you have a change of government life doesn't stop. You don't stop everything. You've got the same staff, you don't stop everything that is being done in a department and say well, we've got to see and we've got to start anew. You know, they are so afraid that maybe a former government did the odd thing that was right and at least the research and the work that is being done by committees or by a group of experts should be researched and should be looked at by any government. And, I'm suggesting, Sir, that this is an area that is very disappointing to the people of Manitoba after the announcement that was made last year and especially to these, they probably don't know what's going on, but these children that are being abused and if the Minister, I'm not even debating how much money he should spend, but at least I would hope that he would have another look at it, that he will call the Children's Aid Society of Winnipeg and see if that can be done. If there could be at least some kind of referral service that it could be done. They can say well no, our responsibility is only to the children in this area. I don't think that that's good enough and I think that something has to be done and the north has to be informed and the rural areas have to be informed that there is a service. There's nobody qualified in those other areas and they certainly weren't : doing job before and this is no discredit to these people they didn't have the funds and the Minister's saying there's not going to be one cent more outside of Winnipeg, and they didn't have the staff and they didn't have the expertise and they didn't have the facilities.

Mr. Chairman, I hope that the Minister will have another look at that and I want to repeat again, it's not the battle that it shouldn't be the Children's Aid Society. That is his right and he's determined that they would do it and I don't quarrel with them at all if they have the expertise of the people that are qualified for that. But to say that the Children's Aid Society has the expertise is not right. They have some people that might know, they are not the people in the field. I think they had one person doing it before. They were unfunded, there is no doubt, there's no doubt about that, but I would like the Minister to discuss and has he discussed that with the other Children's Aids that

are responsible for the area outside of Winnipeg. In fact, the Children's Aid Society of Winnipeg is not even responsible for all of Winnipeg, is it? It's not even responsible for all of Winnipeg, so cut that down. — (Interjection) — Technical, technical, it's a hell of a lot more than a technicality if you have people that are not covered, so maybe we could change the technicality of the north then.

MR. SHERMAN I said that technical change is being made so that the Children's Aid Society will cover all of Winnipeg.

MR. DESJARDINS Well, why can't they cover all of Manitoba? If that can be done, if they can take over, if they could work with the Children's Aid Society that is responsible for part of the. . .

MR. SHERMAN Why didn't you do it last year?

MR. DESJARDINS Oh, now we're going to have why didn't you do it when. Al rright I admit that it wasn't done last year. I admitted that it wasn't done last year, but the money was voted for this last year.

MR. SHEAN It wasn't spent.

MR. DESJARDINS It wasn't spent. Now my honourable friend can wait and wait before he does anything and say the money wasn't spent. We had a bit of responsibility last year too, so we were ready to move in this and at the request of the Children's Aid Society of Winnipeg who wanted to participate in that, wanted to offer their suggestion, we weren't afraid, we weren't too big to back down and say all right, you participate, you have something to do with this. And it's kind of ridiculous for the Minister to say why didn't you do it when the money was voted and the facilities were there and we didn't even finish the year. You know, it's not that you make an announcement in this House and the next day it's going to take effect. We had to move in that direction and at least after awhile we did announce that we were moving in that direction and many of the things that we were announcing, many of the things are going through, and did go through.

Now, Now if the Minister wants to say that we're responsible, not only for what we did in the past, for what's going to happen in the future, that's his business, but that's a pretty damned weak argument, Mr. Chairman.

MR. CHAIRMAN (c)(1)—pass — the Honourable Minister.

MR. SHERMAN Well, Mr. Chairman, I am not attempting to say that the present government assumes the situation that was the responsibility of what the previous government did or did not do in the past. What I am saying, the Member for St. Boniface is highly outraged and incensed over the fact that apparently we have not moved into the northern and rural areas of Manitoba in this field as quickly as either he or I or some others in this House might like. But I say to him, and he can't get away from it, that he had three years to do it. Give us a little time to do it, that's all I'm saying. I'm not saying that what he did was wrong and what he's done has left us with an inheritance that is unmanageable. I'm simply saying, don't paint yourself into a corner, to the Member for St. Boniface, from which there is no escape because that's a corner from which there is no escape. He can lambaste me all he wants for what this government is doing or is not doing in this area, but he has to remember that he had three years in which to do it himself and it's not that easy to move that fast in some of these areas.

Now the particular technical anomaly that I was referring to which he sloughs off as being a technicality — and we shouldn't be worried about technicalities when we're worried about children — is an anomaly in terms of jurisdiction through the Children's Aid Societies over various parts of greater Winnipeg that has existed for some considerable time, and that's another area in which the previous government could have moved, that's another anomaly that could have been removed. It will be, I hope, very shortly resolved by this government so that the Children's Aid Society of Winnipeg will be responsible for the whole of Winnipeg rather than having a certain part of it under the aegis and responsibility of our departmental regional office and a certain part of it under the aegis and responsibility of the Children's Aid Society of eastern Manitoba.

But that's not something that we created. It's not something that the previous Minister created either. But in three years, through his administration and stewardship, the anomaly persisted. In seven months, through our administration and stewardship, it has continued to persist but I'll tell you this, Mr. Chairman, it won't persist for three years. It will be resolved as quickly as we can

resolve it and I hope it will be resolved in this calendar year.

Now the Member for St. Boniface says the Minister made a big announcement the other day and today he didn't know what was going on outside of Winnipeg. That is absolutely incorrect and untrue. I made an announcement the other day having to do with the degree to which we found it was possible to move to support a stronger and broader campaign against child abuse. I answered his question today when he asked me in the House whether it related to an area of responsibility confined specifically to Winnipeg, or Greater Winnipeg, or whether it extended into other parts of the province and he has that answer. I have told him that it is the shoring up and the reinforcing of the capacity of the Children's Aid Society of Winnipeg to deal with these cases basically primarily in Winnipeg. I've made no bones about that, but there still is the right of referral from other areas. There still are people working, through the Children's Aid Societies and the other areas and through our regional offices in the other areas, who have some knowledge in this field and if they feel they don't have it they can refer their cases to the CAS in Winnipeg.

So there's been no attempt whatsoever to make any kind of "big" announcement that was anything other than what the government was clearly delineating to the public of Manitoba that it was doing and that was shoring up the capacity of the Children's Aid Society of Winnipeg to deal with these particular cases, primarily in Winnipeg, but that represents half of Manitoba so it's not an entirety or an area to be dismissed as unimportant.

I agree with the Honourable Member for St. Boniface when he says, "The big thing is service to these children." Of course the big thing is service to these children. That's what the campaign against child abuse is all about. That's what the additional \$61,000, the additional three staff man years and the additional half-time specialist is all about, service to these children. Hopefully, next year there will be more service to these children. Hopefully, five years from now, ten years from now, we'll have the problem under control.

There's one thing I have to say for the Member for St. Boniface, I don't think throughout his experience — as I've known him in this House — he's ever been unrealistic about things and I don't see why he should break his 15-year record, or 20-year record and start being unrealistic now, and that's what he's doing. He's saying to me, in effect, now you've got a problem, solve it tonight. I say to him that it's going to take more than tonight to solve it.

But this is a partial solution. It represents an expansion, it represents an increase. I don't buy his argument that we're not doing anything that wasn't done before. He said we're doing exactly what was done last year, that's not true. The Children's Aid Society of Winnipeg was not supported or reinforced last year, in actual fact, to do what they're now going to be equipped to do. Certainly they asked for the money. That's fine. Anyone can ask for the money.

The fact of the matter is it was not done for one reason or another, probably very valid and legitimate reasons, for the same reasons that there are certain things that I am not able to do and we're not able to do this year, but this is one thing we are doing that wasn't done last year. It is not fair or correct for the Member for St. Boniface to say that we're doing exactly what was done last year. We're not doing exactly what was done last year. We're adding funding, personnel and a half-time specialist and they weren't there last year. That is a start to expand the campaign against child abuse and to serve these children, which is the target and the interest of the Member for St. Boniface and the target and the interest of me.

It's not the end of the battle, it's simply the start of the battle.

MR. DESJARDINS Mr. Chairman, at no time did I say that something has to be resolved immediately, or can be. In fact, I said exactly the opposite. I said if you stand up and make an announcement, it's not going to be all corrected or changed the next day.

Now what I said is that the Minister is making approximately the same announcement that I made last year, and he's taking that as action and it was exactly the same thing. This half-time position and this service was all announced last year. Now, he's saying, why didn't you do it then? We were ready to move last year to cover all of Manitoba — and that's the main thing that I'm talking about — is cover all of Manitoba. It is true that the Children's Aid Society of Greater Winnipeg had asked for more staff. It was felt that if there was more staff then you would have to duplicate this in other areas. There weren't that many people that were as knowledgeable as this. There wasn't all that money. My honourable friend is very worried about money.

Now, last year we announced exactly what he's announcing now except — in fact it was two years ago, not last year, it was two years ago or during that year — and it was felt that the government was ready to take over, to set up an independent group funded by the government. The announcement was made that it would have this service and this would be composed and made up of all these people, that the expert on an advisory committee and this service would be established.

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Okay, it takes awhile to establish this service. Then at the request — and we were all ready to move, my Deputy Minister in those days was very adamant that this is the way it should be done, he wasn't responsible, not more than any of the present civil servants are; it is the Minister — at the request of the Children's Aid Society of Winnipeg we reviewed this and it took quite awhile. That is not the Minister's fault. It took quite awhile to do some of that work.

And this is exactly what was being done. When the Minister announced this Abuse Centre, I was very very pleased, very pleased, because I figured, well, that's the result the committee must have reported. I didn't even think twice, well, how come the Children's Aid Society of Winnipeg? I repeat again, I don't care who runs this unit, but it was a service for all Manitoba and when I said the Children's Aid Society of Greater Winnipeg doesn't even cover the city, he said, "That technicality was resolved." Good, congratulations. Now, solve this other technicality, that if they can work with this group, they can work with the Children's Aid Society or other groups outside of Winnipeg. That is all my concern. I'm not unrealistic; I don't think that the Minister can move mountains in a day. That is not the case, but right now he is moving in this direction and I am happy for that, but he is not doing anything for the people outside of the Greater Winnipeg area and that is going backwards because we announced that this unit was going to deliver the service for all Manitoba.

So that's the only difference. It is not who is running it; it is not what is being done here, but why? The Minister could get up and say, okay, I'm going to call the Children's Aid Society and I'm going to call the people in the other areas and we are going to look at it because as of today there is no way that I am going to wait until we have the money and be satisfied to say that that is the responsibility of Children's Aid in the rural areas or in the north, and maybe we'll move next year.

I'm not even suggesting that they should spend any more money but I am saying that it has got to be co-ordinated. We had announced — I don't know if this is still in the announcement — we had talked also about the therapeutic service with this thing and the Minister saw himself, that the 20 beds — he said, "I want them, you want them, we all want them." And he is right, but he has found it very difficult to build at this time because of the situation at the Health Sciences Centre and I didn't pursue that because I know these things. I had made it my first priority, and I had said to staff, no way am I going to defend another Estimate if that isn't done because this had been a request for a number of times and every second week or so I would call the person responsible and I said, this has to be done. I realize that it takes a while and that they had a lot of difficulty and I had difficulties too. We were even at one time looking at the old Grace Hospital as a possibility for temporary beds, for so many beds in this area. So I know what the score is and that is not my battle with the government or the present Minister and I am pleased that he is going in this area. But he has changed one thing, if he wants to make a big thing and say, well, this other government wanted to set up a kind of an independent commission but we want to go through the Children's Aid Society, fine. To me it is not important enough to battle on that, but I wish they would deliver and I wish the Minister would consider. It's not that late, surely he can do that. What has he got to lose, to say to me today, "All right, fine, let's see if we can extend the service and at least work with these people," because the service is not going to be provided under the situation without added funds and without the expertise and there are not that many experts around. We're fortunate that we have some of the best and we had financed a conference of this group and it was very successful.

All right, we did some work and now the next government is going to do more and maybe the same Minister next year, or another Minister or another party will even do more and that's the way things go. I don't claim that we invented everything and that we have done everything, but what I am fighting for tonight is — the Minister certainly shouldn't chastize me because I am concerned. —(Interjection)— Watch out, somebody is going to drop you on your head again and you'll have to go to the Abuse Services.

Mr. Chairman, I am concerned and surely the Minister is concerned for people outside the province. Now, can he tell me that he will meet with them and see if that service can be extended at least temporarily until he has moved in another direction and he has covered these other areas. Can he get some of the people of the north who are concerned; can he get the brains in this field and say, fine, this expertise will be available also, as much as we can, to do something for the north but we will co-ordinate it? In the meantime, the Children's Aid Society who are responsible for the unit — and there is no difficulty in straightening this thing out — that they are going to

deliver the service for areas that they don't deliver the other service. Well, why not, why can't the Minister say, "Well, all right, I will try. I'll get these people in and see what we can do until we are ready to take the next step." That is all I am asking.

MR. CHAIRMAN The Honourable Minister.

MR. SHERMAN Mr. Chairman, certainly, as I have pointed out or tried to point out to the Honourable Member for St. Boniface, there is a referral system and a referral mechanism in place and certainly through the Children's Aid Society of Winnipeg, it will be made clear by my office, by my department, through the child abuse function of the CAS of Winnipeg, that we would like to explore the needs and requirements of the other regions, areas, rural and northern, of Manitoba in this service area. If there is sufficient capacity, personnel and resources, to contribute something directly in input, we will do it. If there isn't, we will attempt to find out from them what their specific needs and recommendations are, and it would be my intention, as I would think it would be the intention of any Minister interested in this particular service, to build that step, that phase into the program as quickly as possible. Certainly I can explore that and offer the counsel and the advice and insofar as it is possible, the direct help of the Child Abuse Service Unit here, to those other areas.

I take the former Minister, the Member for St. Boniface, at his word when he says that the plan devised last year and developed under his stewardship was to serve all of Manitoba but I certainly don't have the same impression. He obviously has that impression. He is convinced that it was a concept intended for all of Manitoba. My information is that it was a proposal only for Winnipeg and if that is the case, there is really no difference in terms of geographic extension from what is being put into place right now.

That begs the question, though, of what is going to be supplied in terms of meeting the need outside of Winnipeg, the need in rural areas and the north, regardless of what the intention was last year or this year. That need is there and certainly it will be studied very carefully by me and my officials and we will see if we can supply some of that need from here.

MR. CHAIRMAN (c)(1)—pass — the Honourable Member for Wellington.

MR. CORRIN Yes, Mr. Chairman, I am concerned, first of all, what significance we might attach to these statistics. Frankly, these statistics in themselves are quite appalling enough, but I fear that they might possibly and quite conceivably could just be the very tip of the iceberg. The Minister, when indicating that these statistics indicated incidents of child abuse, didn't qualify how he derived the statistics or how his department derived the statistics in this particular case. I was wondering whether they in fact indicated the number of assault convictions relative to abuse cases of children in our criminal courts, or whether in fact they indicated the number of apprehensions made under the protection section of The Child Welfare Act. Perhaps I will reserve any further remarks until that point is clarified because I think it is probably quite significant.

MR. SHERMAN Mr. Chairman, certainly this is doubtless just the tip of the iceberg. These are reported cases, these are children who are registered with the Child Abuse registry, and in the interests of which action is taken. The total for 1977, as I reported, was 158 reports received where children were registered with the Child Abuse registry, and there was a disposition of those children. They were either left or returned home with agency supervision, they were provided non-ward care, temporary guardianship, permanent guardianship, unfortunately, there were some deaths, there were some cases where there was an investigation only, and in some cases where final disposition is pending. And it adds up to a total of 158.

The registry also maintains a watch on the abuser, or the alleged abuser, and accounts for all 158 cases, as father or mother or both parents, or common-law spouse or other, or unknown — there are some 15 cases in which the alleged abuser is cited as unknown. And then there is a breakdown also for the actions taken against the alleged abuser, ranging all the way from home supervision and temporary loss or permanent loss of parental rights, to criminal court proceedings, to supportive or therapeutic services and treatment.

I can't quarrel with the Honourable Member for Wellington. Doubtless, it's just the tip of the iceberg.

MR. CHAIRMAN The Honourable Member for Wellington.

MR. CORRIN Yes, Mr. Chairman. I'm glad that the Minister and I do concur on that point. I bring to his attention that I do not believe that we can draw any real significance from these statistics

because first of all I think they're biased and distorted as a result of the reporting mechanism that's involved. It was of some interest to me to note that there was such a disparity as between the number of incidents reported in Winnipeg and those reported out of the city in rural and presumably northern posts. \$

One can't help but note that although the populations of those two regions are basically the same, there is a disproportionate number of incidents that have been reported in the Winnipeg region, and I would suggest that probably there are many reasons for this, but I would suggest there is only one real solution to the problem, and that's manpower. The real problem, I think, in this particular area is plain and simple, identification. There has to be ample trained individuals in the field familiar with the circumstances and situations in various communities and regions, in order to actually effect the number of apprehensions, protective apprehensions that are necessary to in order to alleviate the possibility of serious grievous harm coming to children in these abuse situations.

That, Mr. Chairman, is the nub, I think, of the grievance that myself and the Member for St. Boniface are trying to place before the Minister this evening. I think that both of us are in concurrence that it's simply inequitable for such a disproportionate number of resources to be allocated to one urban centre, namely Winnipeg, to, I think in these circumstances, the detriment of other urban centres, where most certainly the number of incidents of this sort are probably proliferating to the very same extent as they are in Winnipeg. It's true that, as the Minister says, we have a concrete jungle. I suppose that that is certainly true of the inner city of Winnipeg, but I don't think that concrete has a lot to do with child abuse. As a matter of fact, I think if the Minister were to travel with me northward, north of 53, and go to places where there is no concrete, he would find some horrendous situations. I'm not trying to evince an ethnic bias because it has nothing to do with that at all. I agree with him that this sort of behaviour manifests itself, notwithstanding the ethnic racial, religious disposition of the citizens involved. But I might tell him there are terrible circumstances in many of our remote northern communities, and one which I believe he should familiarize himself with as soon as possible.

There is a desperate need and I think his staff has already told him this, and frankly I don't think I need repeat it, undoubtedly they have described it to him but there is a desperate need for interventive action in this respect. So I would call upon him to as soon as possible take steps to proceed in that direction in order to cut off any further terrible circumstances prior to their arising.

I was also interested in noting that there seemed to be so much emphasis on the part of both members, when dealing with the importance or the lack of importance of Children's Aid Societies in the province. I believe the Minister is aware that in many areas of the province, and particularly those remote communities I referred to north of 53, there are no Children's Aid Societies. As a matter of fact, there is what I thought to be a rather innovative provision in the Child Welfare Act that provides, under Section 7 for Child Welfare Committees to be formed under the auspices of the Director. I was concerned as to what number of committees had now been formed in the province in these remote communities under the direction of the Director of Child Welfare. These committees, presumably will be able to curb incidents of abuse, will be able to intervene immediately because of their particular perspective and their immediacy to the communities involved, and so I would address a question to the Minister. I would ask him whether he could tell us how many such committees have been struck under Section 7 and how many committees are anticipated will be formed in the next short while. I presume that the Director and staff under his supervision are currently negotiating in remote communities and they would now have some idea of what possible developments might be effected in these circumstances.

I would also like, if it's possible, an identification and breakdown of the communities where Child Welfare Committees have actually been created and where it's thought they will be created in the next short while.

MR. CHAIRMAN Before I allow the Honourable Minister to answer, there was reference made to Section 7, and I've been trying to follow, Section 7 of what?

MR. CORRIN The Child Welfare Act, Mr. Chairman.

MR. CHAIRMAN I'm sorry. The Honourable Minister.

MR. SHERMAN I believe I would be correct, Mr. Chairman, in responding to the Honourable Member for Wellington, that Child Welfare Committees of the type to which he refers are in existence in

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at least two areas of the north, Churchill and Leaf Rapids. We have child welfare workers, for example, working under and out of the Churchill Health Centre. As far as the Indian reservations are concerned, the primary responsibility for child welfare in that situation rests with the Federal Government, as the honourable member well knows. We can be called in in emergency situations but there is a jurisdictional difficulty there and the whole difficult question of responsibility for social services to status Indians, treaty Indians, on the reserve, is one that we, as a province, and as taxpayers, have to approach pretty cautiously and pretty carefully. I'm sure the honourable member is well aware of that situation.

I would agree with what he says about the desirability of being able to search out and identify and pinpoint these potentially dangerous situations for children and arrest them before they can occur, provided you can do that without interfering in the rights of individuals and the rights of families. And there again, we're in a very difficult, uncharted forest, and I'm sure he's tried to negotiate many of the pathways in that forest himself, as a lawyer and as a Chairman of the Treatment Panel. It's not that easy, as he knows, to intervene, to intrude, to invade private circumstances and to attempt to superimpose yourself as a legislator, or as a government official, on parents and parental rights. We have the same difficulty with battered wives. —(Interjection)— Well, probably battered husbands, too. But I can tell the honourable member, and he probably knows full well, that one of the great difficulties in getting at the problem of the battered wife is that a heavy preponderance, a heavy majority of the cases won't report them, and if forced to report them, they then will not initiate action against their husbands in court.

I have some first-hand experience of this situation through professional work that my wife does and has done over the years, and it's extremely difficult to, in many cases — you can have a woman who's battered within an inch of her life, and by the time the police get there and take some action to protect her and get some clothes wrapped around her and get her taken somewhere to look after her overnight, she then becomes close-mouthed and won't press charges, won't identify what happened, and if she will say what happened, if she will tell the story, she won't go as far as to press charges. That's one of the great difficulties, and I know that the honourable member knows that.

The same situation exists in the field of child abuse. I would like to think that we lived in a world where we could eliminate child abuse, but I'm not that idealistic. I know we will never be able to eliminate it, we will never be able to catch and identify every case, we will never be able to protect every kid, much as all of us would like to, because fear is a tremendously powerful influence. The spouses of child abusers are afraid of their spouse, the neighbours are afraid to interfere or intervene or get involved, and I don't see any way, short of a police state which I don't want and I'm sure the Honourable Member for Wellington doesn't want, how we will ever really get at the biggest chunk of the iceberg. We will get at as much of it as we can, but we'll never get at the whole hidden sub-surface of that iceberg.

The member made reference to my descriptive use of the term "concrete and concrete jungle" and I want to assure him that in the rhetorical sense that I used it, I think it is a contributor to child abuse. I'm not saying there's no child abuse in the pastoral countryside, I'm not saying there's no child abuse in the north, or in various remote regions of Manitoba, but I say that the concrete jungle in the sense that I use it, is a contributor to child abuse. Because one of the things that causes child abuse is frustration and disappointment and poverty, and lack of opportunity and disadvantage, and booze, and just surrender to the forces and the pressures of a life that has become unbearable for many people. And in the so-called concrete jungle, in the heavily populated, heavily trafficked, heavily built-up urban areas of this continent, and probably all continents, those pressures on individuals who are having difficulty breaking out of particular cycles and achieving an opportunity for themselves work unfortunately on the temperament and the control of those individuals, and when those people reach an emotional state where something has to give, it often takes the form of violence and it often takes the form of violence against children. So I don't apologize for having used the term in that sense. I'm not saying it doesn't exist anywhere else but I think in the pressures of modern urban living can be found, in some cases and probably in a substantial number of cases, some of the reasons for outbursts that find expression in child abuse. So we have to concentrate on urban areas fairly extensively. Not to the neglect of other areas, but I think we have to concentrate on heavily urbanized areas.

MR. CHAIRMAN (c)(1)—pass — the Honourable Member for Wellington.

MR. CORRIN Yes, I thank the Minister for his amplification of his former remarks. I point out, though,

that in talking about child welfare committees I was hoping to strike a very sympathetic chord in the heart of this particular Minister, because this Minister has spoken about volunteerism and there is no area I know of in the administration of his department where volunteerism could be effected with more success, and where there is a greater need for such intervention.

As I pointed out, the Child Welfare Act makes very specific provision for volunteerism in situations where there is no real possibility of formal institutional intervention. And in view of the fact that the director, as I suggested, has power to strike such committees — I am reading from the Act — “impose duties for the welfare and protection of children as he deems proper, prescribe rules for the guidance of the committee and the protection of children . . .” And it indicates that any such committee is subject to the supervision and authority of the director under licence. I would suggest that here is a situation that lies right for the use of the volunteer concept. It's an area where I think, in view of the fact that such committees are currently, I am told, only struck in Churchill and Leaf Rapids, which are really built up communities — they are not, in my opinion, truly remote in nature — it would seem that there really is an opportunity for this Minister to make good his sentiments respecting volunteerism.

I would suggest that such efforts would be of benefit to all our people, and I would suggest and encourage him to take recourse to this new spirit of volunteerism through the formal mechanism of the Child Welfare Act, as soon as possible.

But, Mr. Chairman, I would be remiss if I didn't also mention another mechanism, a formal legal mechanism, by which the Minister can also take the opportunity to gain a greater overview of other incidents of child abuse. Because although it's true that for the most part child abuse in this province takes place behind closed doors and in private circumstances, I would suggest to the Minister, with respect, that there are allegations, serious allegations, that are made to people in positions of confidence. And I must say that such allegations were made to me when I was Chairman of the Treatment Panel to which the Minister averred regarding the disposition of treatment of children placed, presumably for protective custody, in institutional placements.

I can indicate that if the Minister wishes to take recourse to his files, he will find details of allegations made against certain people involved in the delivery of such services, particularly people who are entrusted and licenced foster parents, people who are charged with the operation of group homes in the province. And I would think that some of the allegations — and they were only allegations; they were unproven — would make the Honourable Minister's hair stand on end. It was a matter of grave concern to me, because although latterly steps and precautions were taken to effect more rigid — I don't want to use a pejorative term; rigid has become a pejorative term — but to set higher standards to try and place a greater degree of control over such institutional placements, I still feel that the possibility for abuse inherent in these basically business establishments is such that it's important that the Minister be made personally aware of them. Secondly, if he is satisfied that some of these allegations may in fact be of considerable weight, then I would encourage him to take interventive measures in order to ameliorate the situations that exist in some of these placements. It's a problem. It's a problem that exists, of course, because these sorts of placements, as we all know, are very expensive to maintain. Also because very often, in the past anyway, the people who have been involved in the delivery of these types of treatment oriented facilities have placed dollars before child welfare. There has tended in the past, and less so in the present, to be a profit-oriented view of child welfare maintenance.

So I would indicate to the Minister that I think he should take recourse to a body that can be struck by him. I'm not sure; I haven't heard that a body has been struck. It's a body known as the Review Board. It can be created under the auspices of Section 9 of The Child Welfare Act. And this Review Board has the power to inspect any institutions — governmental or otherwise — examine records and conduct any inquiries or investigations that are deemed necessary by the Minister or the director. And I would suggest that in this regard it might well be efficacious for the Minister to have recourse to the appointment of members of this board. I will tell the Minister that to the best of my knowledge membership of such a board was not struck by the former government. I say that with a great deal of — not remorse because I didn't participate but with a great deal of regret. I felt personally that it was quite important. It was imperative that membership be struck on this important body but for one reason or another that was not done.

In view of the fact that I stand first and foremost in interest to the people of the province and not one political party, I will ask this Minister if he will please take immediate steps in order to appoint qualified representatives of our communities of the various regions of this province to stand as members of the Review Board in order that he can be apprised of circumstances throughout the province relative to child welfare and its administration.

I can tell you and I am sure that I again tell no one in this House anything they don't know, as the Minister has indicated, the subject of child welfare is one that is very very complex. It involves the synthesis of many competing interests, of many levels of administration and many different philosophies respecting treatment modes and various other matters relative to policy, public policy and administration. So I would suggest to the Minister that it would be useful to him to have recourse to wise counsel of his own choice — and in this case he has the capacity to elect his own representation; he is not required to choose any individual other than such individual whom he has trust and confidence in — in order that he can be given assistance in the conduct of his responsibilities and duties.

I might note also at this juncture, I think it's timely to pay a compliment — something that we so rarely get the opportunity to do but I feel it would be remiss of me not to do it — to pay a compliment to the authors of the report dealing with child and family services in the Task Force, Volume II. The authors of that report recommended that a division of child and family services should be created in this province and I tell you I couldn't agree with any recommendation more than that one. I think that one is long overdue and I certainly hope that some early implementation is given to that particular recommendation. I think that it's absolutely imperative that this particular area of public policy be given immediate attention and special attention, and I think the only way that can be done is by giving it some special status. The present situation, as the Minister well knows, is, in my position, untenable. I think the Minister may well agree, to some extent. I don't feel that it's possible to effectuate child welfare services when you are trying to do that within the context of several different departments: The Corrections sub-department, whatever status that is given; the Department of the Attorney-General; Health and Social Development, generally. It's simply impossible, I think, to maintain an overview and perspective of all that requires. The jurisdiction and the bailiwick is simply too large, too capacious, and requires some clearer definition. I think that this recommendation of the Task Force is one that should be commended. There is no indication as to the rationale for the recommendation, unfortunately, like so many parts of the Task Force report, there is a dearth of background material, just a recommendation. But there is a brief statement indicating that integrated administration of children services should be facilitated as soon as possible and, as I said, I concur with that and I would encourage the Minister to make strenuous recommendations to Cabinet in order to carry the day on that particular recommendation and I would encourage him to take immediate steps to make appointments to the Child Welfare Review Board in order that he can be given the advice of representatives of our various regions, as well as experts in the field of child welfare.

I would be interested in knowing whether or not he has seen fit to already initiate a search for representation on the Review Board and, if not, whether he will do so; and if so, when we might expect word as to who those appointments might be. And I'd also be interested in knowing what his position respecting the Task Force recommendation is.

MR. SHERMAN Well, Mr. Chairman, let me say that with respect to the local child welfare committees and Section 7 of the Act, the power that's vested in the director to establish child welfare committees, there is no reason whatsoever why we can't move further in that direction. I think the honourable member's suggestion is very valid. We are in fact looking at initiation of additional committees of that kind and I think that's a good suggestion.

As far as the establishment of a Review Board is concerned, I would simply say to the Honourable Member for Wellington that I have no preconceived prejudices pro or con. He seems to think that it's a highly desirable service, a highly desirable kind of agency, and I will certainly review his remarks in the transcript of the committee hearings and take it under careful advisement. I won't make a commitment to him this evening to do other than that, but I will do that.

As for the recommendation that he refers to in the Task Force Report, I, like the Honourable Member for Wellington, think that there is considerable merit in that particular recommendation. There seems to be a logic to that kind of alignment where children and juveniles and their care and custody and their concerns are involved, and I can underscore his reference to the fact that the department has such broad parameters of responsibility right now that there no doubt are areas that are unfortunately neglected in terms of ministerial attention. This is an area, the welfare and well-being of children and juveniles which we can't afford to neglect. So I would agree that there's probably considerable merit in that recommendation.

I would have to go back to what I've said in answer to other members about the Task Force recommendations. We haven't as a government had the chance to sit down and address ourselves to them specifically, unconcerned with other matters of moment and the opportunity for that probably

won't arise for a few weeks yet, but it will come and there are recommendations in the Task Force Report that I can assure my honourable friend will commend themselves to the government and will be adopted as there are some that won't.

This is one that I think bears very careful examination as it seems to have a good deal of merit and I'm interested to hear what he says, what he thinks about it because of his own experience on the treatment panel. So, that perspective will be brought to bear in my approach to it.

Once again, I'm looking for counsel from departmental officials and agency personnel and field workers on all recommendations of this type related to my department before crystallizing or finalizing any opinion or recommendation that I'd make to my cabinet colleagues, but there is a logic to that one that can't be argued against.

MR. CHAIRMAN (c)(1)—pass — the Honourable Member for Wellington.

MR. CORRIN Mr. Chairman, also dealing with this general question I would be interested in knowing at this particular juncture what number of northern children have been relocated from northern communities to situations in the City of Winnipeg and Brandon particularly. I suppose in fairness because there's an institution for boys in the Town of Portage la Prairie, I should also include Portage la Prairie within my parameters. There was a trend and tendency for increasing numbers of northern youngsters to be brought down to the southern area of the province for treatment and I'm interested in knowing whether that trend is still prevailing and to what extent. Perhaps if you had statistics relative to the proportion of northern as opposed to southern or rural children in the major institutions, and I'm referring to the Agassiz Centre, Seven Oaks, as well perhaps as in Brandon — some of the programs at Westman and so on — it would help in order to clarify the committee's perspective and perhaps provide us with a form for more truthful discussions.

MR. CHAIRMAN The Honourable Minister.

MR. SHERMAN The practice is pretty much undiminished, Mr. Chairman, there's still a great many juveniles and children being sent down to Winnipeg from other parts of the province particularly from the north, that's one the reasons why we're looking at moving towards the inception of some homes either of an institutional nature or group-home nature in different northern centres as soon as we can. I would have to check with my department officials and see if specific statistics could be provided to the honourable member on that point, but the practice is still very much in place and has changed relatively little at the present over the situation of recent years.

One point I meant to make, Mr. Chairman, when I was on my feet a few moments ago with respect to an aspect of child abuse that the Honourable Member for Wellington raised that is related to the possibilities for abuse, the potential for abuse and the actual existence of abuse according to his experience in the child-caring field itself, I think the kind of protection, the kind of overview and supervision that he was suggesting is necessary in his remarks, really is a reflection and an endorsement of the Office of Residential Care. That's one of the reasons why it was established, to oversee the personnel and the operation and the standards to maintain good quality care, good quality personnel, supervise the licencing and the registry and defense as much as possible against the kind of abuse that he suggests can creep into that area as it can into any area. So, the concern that he has is being met, I believe, through the very function of the Office of Residential Care at the present time, at least that's certainly one of the primary intentions behind the rationale for that office in my view and I would suspect that that was the case for the previous government.

MR. CHAIRMAN (c)(1)—pass — the Honourable Member for Wellington.

MR. CORRIN I must indicate to the Minister that it certainly doesn't strike me as odd or unusual or out of the ordinary that still a disproportionate number of children from northern communities are being relocated to southern communities for the purposes of treatment and should note, very often institutional treatment. I might tell the Minister that this was a considerable source to me, of great anguish for the several years that I participated in interviews dealing with children involved in the child welfare system in our province. I can tell the Minister that there simply has to be a better way. There's something so unjust, so inherently unjust and inequitable involved in the dislocation of young people from their communities, albeit for good purposes, for the purposes of effecting some treatment, of effecting some transition in their behaviour, some modification of their behaviour on the presumption that that behaviour of course was found to be antisocial, but I tell you, Sir, that words cannot express the hardship that I've seen imposed on some of those youngsters.

Many of these youngsters I should tell you are not familiar with the language we speak, that we presume is the language native to the peoples of this province and many of those youngsters speak other languages, other tongues, are totally unable to articulate themselves in English, therefore, I think are placed in precarious circumstances in terms of their development when relocated, dislocated to institutions where they are not only required to modify their behaviour, but to do so within the context of strange and alien traditions and languages. Many of these institutions do not employ native workers and if they do, they don't employ enough and the children very often become desperate and if you look at some of the statistics, particularly statistics emanating from Seven Oaks, the girls residential home in North Winnipeg, you see statistics that belie seemingly a great urge to leave the premises. The number of runaways at times has been absolutely atrocious. Jokingly people say that there are more inmates out of that institution than within its walls on occasion.

The number of slash-ups — that's the term I believe the children use when referring to the incidence of suicide attempts in the institution — is appalling, and I can tell you that in no small reason is it a function of the cultural dislocation effected by seemingly well-meaning people, people like ourselves, people who have at one time or another demonstrated an interest in child welfare in this province. But I tell you that a lot of money is being misallocated and misappropriated because although it was a bold and innovative step and I'll give credit, I gave credit to the Task Force, I'll give credit to the First Minister because he was the man responsible in the very early 1960s for building that institution and before it there was nothing, there was absolutely nothing suitable for its purposes in this province. So in that respect he was, in his time as Attorney-General, in the

vanguard of child welfare I tell you that we've fallen many steps behind. That facility originally I do not believe was used for the numbers of native children that it has recently come to be used and we're not providing them with a service. I'm also concerned because over the years I have seen many changes and variations in the treatment mode and I'll single out that facility although I can say that I've seen changes in the treatment modes in various facilities, but that one more than others. And although I'm aware that steps have been taken recently to, shall we say, rationalize or standardize treatment modes throughout the province, at least as between the Agassiz Centre and the Seven Oaks Centre, I still say that I approached the whole question of treatment methods that are being employed with some trepidation. I don't pretend to be an expert but it seems to me that there is a need for some communication as between the various departments responsible for child welfare in order to effect some rationalization of the treatment methods that are being employed.

The turnover of staff at Seven Oaks, another indices of the problems that have existed there throughout the years is appalling, levels of staff turnover that should not be tolerated and have to be questioned.

So I would ask the Minister respectfully to pay heed to my words and to give consideration to what can be done in order to give effect to a more humane treatment for those youngsters who find themselves behind those walls. Something does definitely have to be done. These are not things, I suppose, that we necessarily always want to air in public but I don't know any other way to do it. I might say that efforts were made to air them in other ways.

I would ask the Minister whether he could advise me as to what the treatment mode now in existence at the Manitoba Home for Girls — Seven Oaks as it's recently come to be called — is and whether or not there are any special programs at that institution respecting native culture; whether or not there are any special programs as between that institution and northern communities particularly probation services in order to give effect to a more harmonious return of those children to their native communities when they are released?

MR. CHAIRMAN The Honourable Minister.

MR. SHERMAN One second, Mr. Chairman, I was just going to suggest to the Honourable Member for Wellington that that subject might be better discussed and I'm sure it should be discussed in detail when we get to the Corrections and Rehabilitation section of the department. I think that we could discuss it under Resolution 63 pretty fully. I don't know whether the Honourable Member for Winnipeg Centre was going to comment on the same point or not.

MR. CHAIRMAN The Honourable Member for Winnipeg Centre.

MR. BOYCE I was going to comment on the same point, Mr. Chairman, but I don't want to leave

it on the record that I want to disassociate myself from some of the remarks of the Member for Wellington. I will raise the points on the appropriate item, to the specifics, that the member has just raised.

The item under consideration I believe, Mr. Chairman, is child abuse. —(Interjection)— Well, child welfare, but the specific that we're talking about at the moment is child abuse. This is one of the most difficult of areas because relative to the child abuse, what constitutes abuse? We have many people think that we can write laws that will cover this and will change the behaviour patterns of people. But one of the things that causes me some concern is going too far the other way. I can best make the point by sharing a case at point without identifying anyone.

In a particular family that has been known to me for quite some time, with a young teenager, he was given some task to perform and the task wasn't performed and the parent was a little bit irritated because of business conditions, they're business people, the child was slapped. The child went down the street and . . . to somebody and ended up in the Youth Centre and they phoned me about it. So by the time we get hold of the proper people and assessed the situation a day at least had gone by. I see the child subsequently and the child looks at me sheepishly, using the system. But nevertheless, it is a very difficult area in dealing with child abuse.

But the Minister had mentioned in his remarks about some of the programs that we have established. It is easy for people to sit on panels and criticize other parts of the system, never having worked in it or talked to some of the people who have worked in it for a considerable length of time. The only assessment in this particular area are studies over a long period of time. If you talk to people who have been through the system and the system has not been what it should be and we can possibly do more in this particular regard.\$

But I think of a case in point, Mr. Chairman — it was five or six years ago — where some concerned people in the community wanted to deal with children who were generally in institutions and were inclined to act out in rather a violent manner some of their behaviour patterns. So this staff got a house and they took these children in and in a 24-hour day they sweated it out with these kids, and certainly there was an improvement. Over a period of a year or so these children no longer acted out.

But it just so happened the CBC had made a documentary of this particular facility about a year or so apart and it was almost as if the staff and the children had changed places because the children had actually sucked out of these people in a short period of time, because of the intensity of the involvement with them, all of their humanity. This is a most difficult area for people to function. For people to make arguments, regardless of on what side of the House they sit — I always took exception to it when I sat on that side — of people to come along and say that there is an answer to it; that there's a simple solution; that there's staff that can deal with these programs. We need supervision of these institutions and the office of residential care I think is an important function, to see that the places are, as best we can, staffed, and that they function according to their mandates.

But, Mr. Chairman, one of the things that is working against these staff are the government cutbacks; because as I'm advised in all private agencies, in any of the services performed by the government, that some of them have been very hard hit. Of course, this means that they have to cut back in their staffing pattern which, once again, puts more strain on these people. So this is a concern to me and I know the Minister shares my concern.

But relative to the treatment of juvenile offenders, Mr. Chairman, I'd rather deal with that when the item is under consideration.

MR. CHAIRMAN The Honourable Member for Wellington.

MR. CORRIN Mr. Chairman, with deference to my senior Member for Winnipeg Centre and with due respect to his remarks and his considerable experience, I might say, in this field, I would suggest that the matter is properly under discussion.

For too long there has been a bifurcation, a division of function, in the Child Welfare field — and perhaps in order to edify members present I should try and do a brief synopsis and overview of the situation. Children arrive at the doorsteps of institutions such as Seven Oaks basically by two routes: through the Child Welfare system, in other words, through the apprehension vehicle afforded by The Child Welfare Act whereby the courts can adjudge a child in need of protective custody and therefore put that child in the custody of the Director of Child Welfare, who, I might say, is a gentleman again of considerable experience and one whom we have the pleasure of having with us here this evening in the person of Mr. Ross; or they can arrive at the threshold of one

of those institutions through provisions of the Juvenile Delinquents Act of Canada.

In either case, the children are deemed by law to be wards of the Director of Child Welfare, and I note that affirmation of that is being effected by the Director — I almost said the Honourable, and he is honourable, he's a capable individual — a man whom , I might say, because I feel at this point it's of interest to note that a man who's had considerable experience . Earlier in the afternoon session the Member for St. Boniface indicated that there was a great deal of dissatisfaction with the former Director and he indicated that as a result of that the person was transferred within the Civil Service and lost his position during the tenure of the former government and I might say that some of that dissatisfaction was probably rooted in the fact that that individual did not have an extensive background in child welfare, had not worked for the government for any period of time prior to taking that position, and this individual appointed by the then Honourable Member for St. Boniface, responsible for this department, Mr. Ross, does have such considerable experience and does have that capacity. I would hope that my commendation will not add to his prejudice but I feel that having worked with him, I feel that it's imperative that I say something of that nature because I do respect his able qualifications.

But as I was saying, Mr. Chairman, children then are, in effect and in fact, wards of the Director and, therefore, under the responsible auspices of the Minister of Health and Social Development regardless of whether they enter the portals of one of those institutions as a result of an apprehension through the Child Welfare system or under the aegis of the Juvenile Delinquents Act of Canada. Therefore, I do not want to discuss that institution without having present the Director of Child Welfare.

I presume under Item 63 the Deputy Minister or some such responsible authority from the Corrections Division will be present, but that's not enough for me. It's the Director who is responsible. He stands *in loco parentis* and through him, the Minister who is ultimately responsible for the well-being of the children in care in this province, therefore, I feel that it is absolutely imperative that any discussions that take place, take place both now and perhaps as the Member for Winnipeg Centre has indicated, later as well because I think there are different aspects. There are most certainly different aspects to the question, but I would ask that the Minister make an effort to apprise himself of circumstances through the Director, who is the responsible authority, and give response to the questions I've placed before this committee.

MR. CHAIRMAN The Honourable Minister.

MR. SHERMAN Through you, Mr. Chairman, if I could just apologize to . . .

MR. CHAIRMAN The Honourable Member for Winnipeg Centre on a point of order.

MR. BOYCE Yes. If you are going to follow the suggestion of the Member for Wellington, I'm quite willing to enter the debate at this time. But, nevertheless, what the Member for Wellington would like or not like, it's the House that has the rules and who will be in the House to answer these questions. If we are to broaden the debate then I would like to be so informed.

MR. CHAIRMAN The Honourable Minister.

MR. SHERMAN Well, Mr. Chairman, on the same point of order. The fact of the matter is that Care and Treatment of Juvenile Offenders comes under Resolution No. 63. It's (7)(d) under Resolution No. 63. I don't mind debating it now but I would earnestly submit that if we're going to debate it now then we don't debate it again when we get to the Corrective and Rehabilitative Services section of my department.

MR. CHAIRMAN The Honourable Member for Wellington on the same point of order.

MR. CORRIN Mr. Chairman, yes. If the Minister is willing to undertake to produce the Director of Child Welfare when we reach Item 63, presumably he would be accompanied by a responsible authority from the Corrections part of his department. Well, the statistics I've asked for and the questions that I may ask are going to probably be of a more substantial nature and I presume that in order that the business of this committee proceed with despatch, it probably would be necessary that the Director be present. Albeit this is a matter of discretion. Certainly if the Minister wishes to proceed without the presence of the Director, that is I suppose at his own risk and certainly within the purview of his office, but I would suggest if the purpose of this committee is to discuss matters in depth and to be enlightened as to the circumstances in this very complex area, it's almost

imperative that the Director have the opportunity to provide the Minister with some input otherwise we're operating in a vacuum.

MR. CHAIRMAN The Honourable Member for Seven Oaks.

MR. MILLER Mr. Chairman, on the point of order, who the Minister has with him is entirely up to the Minister. There was a time in this House when the Minister had nobody in front of him, and not that many years ago, and whether he has anyone with him or not really is not the concern of the members on this side of the House.

Because there is a separation within the Estimates themselves, the suggestion that we deal with the Child Welfare Services, the more traditional ones in this section and deal with the Corrections aspect of it, under Resolution 63, is a valid one, otherwise we are going to be, I'm afraid, rehashing the same speeches two or three nights from now. So I would urge that all members contain themselves and when we get to Section 63, I don't doubt there will be overlapping and a spilling back to what has been said today — that's inevitable — but at least we try to clarify the two resolutions we're dealing with. They're two separate resolutions, two separate functions, two separate appropriations.

MR. CHAIRMAN To the honourable members, I would agree that I have allowed quite a bit of latitude and the Member for Wellington has gone further than the latitude that I have extended to the House. I would suggest that the discussion go back, for the Member for Wellington, to Section 6, Article 3.

MR. CORRIN Thank you, Mr. Chairman.

MR. CHAIRMAN And I would rule the Member for Wellington out of order and if we could carry on with Section (c) I will allow the Member for Wellington to proceed.

MR. CORRIN Thank you, Mr. Chairman. Is the Meer for Winnipeg Centre finished?

MR. BOYCE Not yet, no.

MR. CORRIN I would suggest then, Mr. Chairman, that it would be proper for me to receive answers to the questions in order that we can go on. As I said, can the Minister — and I believe this takes us back to the juncture where we departed from the strict adherence to the Estimates before us — can the Honourable Minister indicate to us then, what proportion of the children presently ensconced under the Child Welfare provisions, as I said, of The Child Welfare Act, emanate from the northern region of our province as opposed to the total complement of residents in both the Seven Oaks institute as well as the Agassiz Centre for Youth?

MR. CHAIRMAN The Honourable Minister.

MR. SHERMAN Yes, I believe I can get that information, Mr. Chairman, particularly if the honourable member is just referring to Seven Oaks and Agassiz. If he's referring ' to all child-caring institutions then I might have to come up with an educated guesstimate but it would be as precise as I could make it, certainly if he wants precision I can give him, if he's talking just about Seven Oaks and Agassiz I can get that for him.

MR. CHAIRMAN (c)(1)—pass; the Honourable Member for Wellington.

MR. CORRIN Yes, I'd be interested in both Seven Oaks and Agassiz and frankly I would be moreover interested in other placements as well, group homes currently being under the administration of the director, or I should say, although many of them are not under the direct administration, group homes wherein are ensconced children who are under the direction of the director. I would be edified to find out what proportion of children emanate from the northern regions of the province particularly north of 53 in those circumstances as well.

MR. SHERMAN Well, Mr. Chairman, I'm not in a position to give the honourable member an undertaking that I would get it for group homes. I can get it for institutions and I will look at the group home question but if he wants a breakdown of where the children came from in every group home in the province, particularly in the City of Winnipeg we're into an exhaustive file-by-file examination. As the Honourable Member for St. Boniface says there's only a hundred of them. But I can certainly get for him in institutions, including the Youth Centre.

MR. CORRIN I'd just point out, Mr. Chairman, that if we would have taken the alternative route,

the one not followed by yourself and we would have considered undertaking to produce these particulars later on in the Estimates debate, at the pace we're moving I would imagine some weeks from now, then there'd be no need for this sort of material to be divulged this evening, it could be divulged at some other time but in view of the strong feelings that seem to exist within the committee on this subject, it seems I have no other recourse if we're to have a meaningful discussion but to ask for this material to be produced this evening or tomorrow or the day after.

MR. SHERMAN Well, Mr. Chairman, let me put this proposition to the Honourable Member for Wellington. Starting on page 186 of the Annual Report of the Department and continuing through to 193 inclusive, there is a breakdown of the juvenile probation caseload by movement, by type, by cases opened, by sex, by age, by institution and by offence, by offence those under the Juvenile Delinquents Act, those under the Child Welfare Act and statistical information of that kind. I wonder if the Honourable Member for Wellington would have a look at that and then let me know whether that answers his questions or not, or whether he still has questions from that point on.

MR. CORRIN Is that then an undertaking by the Honourable Minister to allow me after perusing that and I presume I can do that sometime tomorrow, perusing those statistics and figures, to allow committee if we have indeed moved on from this particular clause and item to ask questions pertinent to this clause?

MR. SHERMAN Under 63-7. (c) and (d), yes, Mr. Chairman.

MR. CHAIRMAN Also under Section 1.(a) Minister's Salary, (c)(1)— pass — the Honourable Member for Churchill.

MR. COWAN Thank you, Mr. Chairman. Having listened with intent to discussions this evening and in particular to discussion of those facilities available or projected for Northern Manitoba I felt I'd be remiss if I didn't enter the debate if even for a short duration.

The Minister mentioned when speaking of the services provided by the Children's Aid Society of Winnipeg that there is also a Children's Aid Society serving the western, eastern and central part of the province and then when he spoke to the north he said "in areas outside" is the manner in which he referred to it, the north. He said that there were other agencies that can deal with child-abuse there and that his own department will deal with problems of child-abuse in the north, and I'm wondering if he could elaborate on the agencies that are in the north that are now dealing with this problem and if he can also elaborate on his own department's functionings in that area along with any increases in funding for the coming year.

MR. SHERMAN Mr. Chairman, I believe that while the honourable member was in the other Estimates Committee, that I answered that question as fully as I could. The Children's Aid Societies that exist in the province exist in the southern part of the province and don't exist in the north, therefore, I referred to the north separately as being outside the aegis of operations of Children's Aid Societies. Our regional offices have a responsibility for child welfare work whether it's anti-child-abuse work or child-welfare work of any nature and certainly in the Norman and Thompson regions, our regional offices and field workers carry out that responsibility. There are local child-welfare committees in existence, as I pointed out when I was responding to questions from other members on the opposition side, in existence in Churchill and in Leaf Rapids and we have child welfare workers working out of the Churchill Health Centre who have a specific responsibility in this field. Also the Director of child-welfare and other officials of my department and I are looking at establishment of additional local child welfare committees as permitted under Section 7 of The Child Welfare Act. So that's where the function and the service and the responsibility lies and is carried out in Northern Manitoba.

We have under consideration for inception at the earliest practical financial opportunity, the inception of some additional facilities in the North that will probably be of a group-home nature although as I said in my earlier responses there had been a fairly well constructed, well organized recommendation come in for an institutional type facility along the lines of Marymound School for one particular northern community and over and against that we discussed the more practical advantage of going for smaller facilities of a group-home nature in two or three different centres in the North and that's very much under active consideration by my department at the present time.

MR. COWAN I would ask the Minister then if he could inform us as to the funding for the regional offices for the previous year-end, for this year, the regional office he mentioned in the Norman region

and the Thompson region.

MR. SHERMAN Mr. Chairman, the overall vote that we are requesting is in front of the honourable Member for Churchill. As he can see it represents an expansion or an increase in funding of approximately \$1 million for this branch for the province generally and there is no discrimination invoked with respect to any particular region in the province. There will be relative sharing and relative benefits for each region of the province from that expansion in funding. I don't have the region by region funding breakdown, I could try to get it but Norman and Thompson regions will share in the \$24 million appropriation to the same percentage approximately as they shared in last year's \$23 million appropriation.

MR. CHAIRMAN (c)(1)—pass — the Honourable Member for Churchill.

MR. COWAN I thank the Honourable Minister for the assurance that Thompson and Norman regions will indeed receive the same percentage, if I'm correct, the same percentage increase as the other regions in the province. To pursue it just a bit further, the Minister said that his department, that his government plans to move much more definitively and much more broadly in this area and I agree with that impetus that he is speaking of at this time, he says more is needed and I agree with that also.

Then when he comes to speak of the North he has some very definitive plans for the South in number of staff man years and increase in funding but when he comes to the North he's rather hazy and he says that he has under close study and close scrutiny a number of plans, one being for — he has received a brief for an institutional type facility of the Marymount nature in one of the major, I assume, major northern centres. On the other hand his department is looking at the advisability, or exploring the advisability of three smaller group homes in three northern centres. I'm just wondering if the Minister could enlighten us as to where those explorations have taken him to date, give us some more detail on when he would expect, I'm not completely satisfied with "the earliest practical financial opportunity." I would want to see something more definite and where he would plan to put them in the North, what communities have been looked at and what general areas have been looked at.

MR. SHERMAN Two things, Mr. Chairman, first dealing with the honourable member's first question, it's going to be difficult and probably meaningless to give him a breakdown on a region-by-region basis as to the funding that goes into child welfare services because in many many instances children from northern regions are being dealt with and treated down here and the funding is related to the operation where the treatment is carried out. So I don't know that it would be all that meaningful to provide him with that type of information.

Secondly, yes there has been a proposal for a Marymount type of institution in Thompson and with my department officials we've considered a program that would see as many as three group-homes funded in different northern centres. One would be Thompson, one we have looked at or considered is Dauphin, the possibility of utilizing a possible facility in Cranberry-Portage and also a possibility of a group-home I believe in either The Pas or Flin Flon, so that the distribution of that initiative would be spread across the North rather than confined to one particular community. I don't have that in my current Estimates. I am dealing with it, studying it and developing it and I hope to be able to introduce it, recommend it for consideration for next year, and for next year's estimates but I don't have it in my present Estimates.

MR. COWAN Yes, Mr. Chairman, I thank the Honourable Minister for his answer. I'm satisfied with the difficulties that would arise from pinpointing the funding as to a particular region and I'm satisfied with the Honourable Minister's answer that the North will not be short-changed, that they will receive the same percentage increase as the other areas of the province are receiving and I don't think that we can ask for any more at this time. I'm also pleased to hear of the choice of areas for group-homes although he seems to have skirted the Churchill constituency.

I might ask him to look into placement of a group-home in that area also as it is fairly remote and out of the way and there is a large population base throughout the constituency to serve. For the most part I've been somewhat hesitant to say that I'm satisfied with the overall thrust of the government in relation to the child-welfare system in the North.

I look forward to next year's Estimates when we can, I hope, peruse the Estimates for these group homes and peruse the Estimates for an institutional type facility if that is the choice also, and that we can start the move to bring some of the facilities to the North because the referral system where we send northern children south is not appropriate. In many cases we are sending native or Metis children, whether they be status or non-status children, into a completely, totally different culture expecting them to grow within that culture and then send them back to the cult...re

from which we took them; resulting in all sorts of culture shock, all sorts of readjustments that are a further trauma to them in their time of need.

There is need for increased child welfare care in the north. If the causes of abuse and the causes of problems in this area that the Minister mentioned, that take place in the concrete jungle, as the term has been bantered about tonight, frustration, poverty, lack of opportunity, surrender, and I think booze was mentioned also, alcohol was mentioned, alcohol abuse, if those lead to problems then we have those in probably just as great quantities in the north, in not only industrial communities but the remote communities, in what we will call, for lack of a better term, the muskeg jungle that lies north of the 53rd. Frustration where you have in many remote communities 75 percent unemployment rate. Poverty where you have a per capita income rate equivalent to Chili and equivalent to Mexico, in many of the communities you have a \$2,950 per capita income in 1973, compared to a \$3,594 per capita income in the rest of Manitoba. The lack of opportunity, where you have over 43 percent of many citizens of the northern communities in one community, 43 percent over 15 having never worked in a wage economy day in their life. These are all problems that they face.

Surrender — we see it in so many different cases, that they surrender themselves not only to alcohol, but they surrender themselves to many other types of abuse.

So we have those problems north of the 53rd in far too great quantities just as we have those problems south of the 53rd in far too great quantities, and I think that we have to look northward. We have to join the Golden Boy in his vision of the north and we have to start supplying the north with some of the services that are necessary. I am not saying that we can move any faster. I hope we can move a bit faster, but I am saying that I hope that at no time because of restraint or due to any sort of financial causes, I hope at no time that we look backwards and start to move backwards because this area has been neglected for far too long. This government must continue the thrust that our government made into serving the north and I hope that in next year's Estimates that we can sit down and discuss these many necessary and far-reaching programs that he is talking about for northern Manitoba.

MR. CHAIRMAN (c)(1)—pass; (2)—pass; (3)—pass; (4)—pass; (c)—pass; (d)(1) Salaries—pass; (2) — the Honourable Member for St. Boniface.

MR. DESJARDINS I don't want to prolong this item I think that we have covered the Public Health on many areas. I only have the one question. I don't imagine that the Minister is ready to bring in a recommendation after the O'Sullivan Report. It is a little soon although he has had it for a while.

My only concern is that while policies are determined, will we keep on with the Advanced Clinical Skill for Community Health Nurses, I am talking about the nurse practitioners now, which has been certainly a God-send for certain areas where there was lack of doctors. I am talking about the remote areas of the province. So I would hope and I would like to hear the Minister say that until a change in policy or a different policy is adopted following the report of the O'Sullivan group, that we will keep on trying to develop some of our public health nurses. I think they had about five or six that had taken that course and I think that they were producing quite well.

MR. CHAIRMAN The Honourable Minister.

MR. SHERMAN Yes, I firmly believe, Mr. Chairman, that the nurse practitioner is the answer to a great many of our needs and requirements in the health field generally and particularly in the Public Health field. The program for recruiting, training and putting nurse practitioners in place was temporarily suspended pending the recommendations of the O'Sullivan Committee which are now out and contained in the report which I tabled in the House today.

My own ambition is to intensify the nurse practitioner program.

MR. CHAIRMAN (1)—pass; (2)—pass; (d)—pass; (e)(1) Salaries — the Honourable Member for Seven Oaks.

MR. MILLER Mr. Chairman, I just want clarification on the reduction in the Salaries and in the Other Expenditures. I wonder if the Minister could explain them?

MR. CHAIRMAN The Honourable Minister.

MR. SHERMAN The difference in Salaries, Mr. Chairman, represents one vacant position which

we have not budgeted for, and therefore remains as an unfilled vacancy.

Other Expenditures — we are looking at a reduction of approximately \$7,000.00. The practicality of that reduction is made possible through curtailment of purchases for printing, exhibits and staff travel costs. That is the reduction in the Other Expenditures line — it is a reduction in requirements, those requirements were in the area of printing, exhibits and staff travel costs. They have been curtailed to that extent.

MR. CHAIRMAN (1)— the Honourable Member for St. Boniface.

MR. DESJARDINS In the past the Department has cooperated with the Social Planning Council to develop the Manual of Social Services with the hope that eventually this would be self-supporting. Is this the case this year or is there any grant in there for this Manual of Social Services. While I am on my feet I wonder if the Minister could see that we have a copy of this report if at all possible.

MR. SHERMAN There is a grant of \$35,000 to the Social Planning Council that would accommodate the Social Services Manual, the Social Planning Manual, that the honourable member refers to, but it is not under this appropriation, Mr. Chairman. It is under (k) General Purpose Grants and Research Support Funds, and it is included in there and the honourable member was asking for a copy of that manual? Was the honourable member asking me for a copy of that manual?

MR. DESJARDINS Yes, if I could.

MR. SHERMAN All right, I will obtain one for him, Mr. Chairman.

MR. CHAIRMAN (1)—pass; (2)—pass; (e)—pass; (f)(1) Salaries— the Honourable Member for Seven Oaks.

MR. MILLER Mr. Chairman, I would like clarification on this. I believe, going back to Page 35 in the Reconciliation Statement, the transfers of functions to this Department from Northern Affairs of \$200,000, I recall asking the Minister about this and he said it was the transfer of Home Ec staff, I believe it was, from Northern Affairs to the Department of Health and Social Development. Is that right?

MR. SHERMAN That is right, but those 12 home economists who are transferred are covered under a different appropriation, Mr. Chairman. It is number (j) Community Field Services. They are not included in this appropriation. These increases that we are looking at here really represent essentially just a price increase, general salary and the costs of the Other Expenditures. —(Interjection)— No, those personnel under Northern Affairs, now transferred over to Health and Social Development to which the honourable member refers come under Community Field Services.

MR. CHAIRMAN (1)—pass; (2)—pass; (f)—pass; (g)(1) Salaries— The Honourable Government House Leader.

MR. JORGENSEN Mr. Chairman, I think that this may be a good point for the Committee to rise.

MR. CHAIRMAN Committee rise. Call in the Speaker.

The Chairman reported upon the Committee's deliberations to Mr. Speaker and requested leave to sit again.

IN SESSION

MR. SPEAKER The Honourable Member for Radisson.

MR. ABE KOVNATS Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER The Honourable Government House Leader.

MR. JORGENSEN Mr. Speaker, I move, seconded by the Minister of Northern Affairs that the House do now adjourn.

MOTION presented and carried and the House adjourned until 2:30 p.m., Wednesday.