



Second Session — Thirty-Second Legislature
of the
Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

31-32 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

Name	Constituency	Party
ADAM, Hon. A.R. (Pete)	Ste. Rose	NDP
ANSTETT, Andy	Springfield	NDP
ASHTON, Steve	Thompson	NDP
BANMAN, Robert (Bob)	La Verendrye	PC
BLAKE, David R. (Dave)	Minnedosa	PC
BROWN, Arnold	Rhineland	PC
BUCKLASCHUK, John M.	Gimli	NDP
CARROLL, Q.C., Henry N.	Brandon West	IND
CORRIN, Brian	Ellice	NDP
COWAN, Hon. Jay	Churchill	NDP
DESJARDINS, Hon. Laurent	St. Boniface	NDP
DODICK, Doreen	Riel	NDP
DOERN, Russell	Elmwood	NDP
DOLIN, Mary Beth	Kildonan	NDP
DOWNEY, James E.	Arthur	PC
DRIEDGER, Albert	Emerson	PC
ENNS, Harry	Lakeside	PC
EVANS, Hon. Leonard S.	Brandon East	NDP
EYLER, Phil	River East	NDP
FILMON, Gary	Tuxedo	PC
FOX, Peter	Concordia	NDP
GOURLAY, D.M. (Doug)	Swan River	PC
GRAHAM, Harry	Virden	PC
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Harry M.	The Pas	NDP
HARPER, Elijah	Rupertsland	NDP
HEMPHILL, Hon. Maureen	Logan	NDP
HYDE, Lloyd	Portage la Prairie	PC
JOHNSTON, J. Frank	Sturgeon Creek	PC
KOSTYRA, Hon. Eugene	Seven Oaks	NDP
KOVNATS, Abe	Niakwa	PC
LECUYER, Gérard	Radisson	NDP
LYON, Q.C., Hon. Sterling	Charleswood	PC
MACKLING, Q.C., Hon. Al	St. James	NDP
MALINOWSKI, Donald M.	St. Johns	NDP
MANNES, Clayton	Morris	PC
McKENZIE, J. Wally	Roblin-Russell	PC
MERCIER, Q.C., G.W.J. (Gerry)	St. Norbert	PC
NORDMAN, Rurik (Ric)	Assiniboia	PC
OLESON, Charlotte	Gladstone	PC
ORCHARD, Donald	Pembina	PC
PAWLEY, Q.C., Hon. Howard R.	Selkirk	NDP
PARASIUK, Hon. Wilson	Transcona	NDP
PENNER, Q.C., Hon. Roland	Fort Rouge	NDP
PHILLIPS, Myrna A.	Wolseley	NDP
PLOHMAN, John	Dauphin	NDP
RANSOM, A. Brian	Turtle Mountain	PC
SANTOS, Conrad	Burrows	NDP
SCHROEDER, Hon. Vic	Rossmere	NDP
SCOTT, Don	Inkster	NDP
SHERMAN, L.R. (Bud)	Fort Garry	PC
SMITH, Hon. Muriel	Osborne	NDP
STEEN, Warren	River Heights	PC
STORIE, Jerry T.	Flin Flon	NDP
URUSKI, Hon. Bill	Interlake	NDP
USKIW, Hon. Samuel	Lac du Bonnet	NDP
WALDING, Hon. D. James	St. Vital	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 17 March, 1983.

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I wonder if I could have agreement of the House. A little later I will be receiving copies of a statement I wanted to make at this point. I'm wondering if I would have agreement from the House, what may be during the question period, to revert back to statements to permit me to give the statement that I would like to make. It will be dealing with the First Ministers' Conference, of course.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Yes, Mr. Speaker, we would be quite prepared to deal with that perhaps at the end of question period.

MR. SPEAKER: Thank you. Ministerial Statements and Tabling of Reports . . . Notices of Motion . . .

INTRODUCTION OF BILLS

HON. R. PENNER introduced Bill No. 24, An Act to amend the Registry Act, (2), and Bill No. 35, An Act to amend The Trustee Act.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we get to Oral Questions may I direct the attention of honourable members to the gallery where we have 120 visitors from eight Manitoba High Schools participating in the Provincial High School Basketball Championships. They are under the direction of Mr. Morris Glimcher, Executive Director of the Manitoba High School Athletic Association. They are hosted today by the Honourable Ministers of Education and Recreation and Sport.

There are 50 students of Grade 4 standing from the Beaumont School. The students are under the direction of Mrs. Kay McLennan. The school is in the constituency of the Honourable Leader of the Opposition.

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

ORAL QUESTIONS

Constitutional Conference on Aboriginal Matters

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker, these questions may well anticipate statements that the First Minister will be making in the course of his report, or what we presume will be his report, to the Legislature on the just concluded Constitutional Conference On Aboriginal Constitutional Matters. In any event, he can certainly advise us if there is any repitition contained in the questions.

It would be our understanding, Mr. Speaker, that the Prime Minister and nine of the Premiers agreed to a substantive amendment to the Constitution in order to replace that which expired, which caused the meeting just concluded to be held. That being the case, can we anticipate during this Session of the Legislature, that that amendment will be brought before the Legislature for approval?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Yes, Mr. Speaker.

HON. S. LYON: During the course of the Constitutional meeting in question, it is our understanding that the Premier of Manitoba, on behalf of the province, presented to the meeting a document called "Framework Agreement Concerning Charter of Aboriginal Rights." My question to the First Minister, Mr. Speaker, would be this. Does the government have a position on this framework and on the principles which underlie this framework and, if so, could members of the House be provided with copies of that statement?

HON. H. PAWLEY: Mr. Speaker, we will certainly be anxious to provide members of the Legislature with copies of both the Framework Agreement and the Statement of Principles.

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Well, Mr. Speaker, some of us at least already have copies of the Framework Agreement and of the Statement of Principles. My question specifically was this, could we have from the government its position on the Framework Agreement concerning, for instance, the Charter of Aboriginal Rights, because when one looks at that document one finds that it refers, for instance, to 4(a), a definition of the term, "Aboriginal peoples." To use that as an example, Mr. Speaker, does the government presently have a definition of aboriginal peoples?

HON. H. PAWLEY: I'll ask the Attorney-General to deal with that question.

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Mr. Speaker, I should like to just put the Framework Agreement, as called indeed, in context. All that was intended by the Framework

Agreement is that it should, in effect, be a table of contents of matters to be discussed over the ongoing process. The Framework Agreement itself is not intended, by delineating a topic for discussion, to take a position one way or another.

The positions which the Province of Manitoba took are contained in the Statement of Principles. The Framework Agreement was simply in anticipation of, in the sense, the bottom line where very little would be agreed upon; that Manitoba would try to persuade the conference to adopt, to guide the ongoing process, a list of matters which ought to be discussed for possible inclusion in what would be Part II of The Constitution Act, 1982, which presently contains just Section 35 on Aboriginal Rights.

HON. S. LYON: Mr. Speaker, I thank the Attorney-General for his attempt, at least, at elucidation. I think we had grasped that, that the Framework Agreement was in effect that. But having presented a Framework Agreement, the presumption, and the Attorney-General or the First Minister can tell me if my presumption is inaccurate, the presumption would be that the government would have at least formulated some sets of principles with respect to this Framework.

By way of example there is in the Framework, 4(b), a statement concerning, and the definition of aboriginal title, including the rights of the aboriginal peoples of Canada to a land base. I'm merely attempting to find out if the Government of Manitoba at this stage, having recommended that this framework be put into place, does it have a position vis-a-vis the government and the people of Manitoba on what aboriginal title means? Because, Sir, to some, aboriginal title means that the aboriginal people own everything. Now, that's an exaggerated position that is taken by some. We want to know what is the position being taken by the Government of Manitoba.

HON. H. PAWLEY: Maybe it would helpful and would assist, really, in the questions that the Leader of the Opposition would like to pose, only with the permission of honourable members across the way, to revert to the statement so we ensure that we don't duplicate our efforts, if it's agreeable. If not, we can carry on this route. I have the statement.

HON. S. LYON: Mr. Speaker, if the First Minister can give me the assurance that my questions will be answered by his statement, we would be quite happy. Otherwise, I would think that we should carry on with question period.

HON. H. PAWLEY: Mr. Speaker, it's a tall order to provide the Leader of the Opposition with an assurance that I will be able to satisfy adequately the questions that he poses in the House. I'm not tempted to attempt to provide the Leader of the Opposition with that kind of complete assurance, but, Mr. Speaker, we will be distributing the copies of the Statement of Principles that Manitoba presented to the Conference of First Ministers in Ottawa.

Secondly, insofar as the questions pertain to aboriginal title, we will be dealing with that in much greater detail at the time that we deal with the resolution

which will be presented to this House pursuant to the signature on our part of the Accord that was signed by all nine provinces.

The question does cause a requirement of some extensive explanation and detail at that particular time and we're certainly anxious to do that in regard to each and every one of the items listed on the framework for continuing discussions that we tabled at the First Ministers' Conference.

HON. S. LYON: Mr. Speaker, if the First Minister is saying that he now has copies of his statement, we're quite prepared to have him deliver it at this time.

MR. SPEAKER: Would it be the will of the House to revert to Ministerial Statements and return to 34 minutes of question period after that? Agreed? (Agreed)

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I thank the Leader of the Opposition for agreeing to permit me to revert. The statement, of course, arises out of the First Ministers' Conference. As members of the House are aware the two-day meeting of First Ministers on Aboriginal Constitutional Matters concluded yesterday. It ended with an Accord being signed by the Federal Government, the provinces, Native organizations, which will ensure that a further conference dealing with these matters will be convened by the Prime Minister within one year.

It was also agreed that this conference will include in its agenda those items which were not fully considered at the conference for the past two days.

Where the Manitoba delegation was somewhat disappointed by the limited nature of the Accord, and the lack of substantive progress on this conference's agenda items, this disappointment is tempered by the realization that the conference has laid the foundations to what will be an historic process for all Canadians. I'm confident that the end result of this process will eventually change for the better; the destiny, the fate of Canada's aboriginal peoples.

Mr. Speaker, I would like at this time to table copies of the Constitutional Accord that were signed yesterday. In fact, they are presently being distributed. A more substantive report on behalf of the government will be made when the resolution arising from this Accord is introduced in this Chamber.

I would also like to assure the House that the Manitoba Government strongly believes in the ongoing process dealing with aboriginal matters. We should all realize that the entrenchment of aboriginal rights does not diminish the rights of other Canadians; it strengthens our people as a society.

I can also assure the House, the Native and the Metis peoples, and all Manitobans, that the consultation we have had with Native peoples during the past year will continue as we prepare for our next constitutional meeting that will be dealing with aboriginal matters.

MR. SPEAKER: The Honourable First Minister, pardon me, the Leader of the Opposition.

HON. S. LYON: That's an acceptable slip, Mr. Speaker. We thank the First Minister for this brief statement and for the material that he has sent around to all members of the House representing the 1983 Constitutional Accord on Aboriginal Rights. We join with him, Sir, in expressing our support for the concept of continuing discussions with aboriginal people to continue the process of negotiation with respect to matters - not all of which are matters of law by any stretch of the imagination at all - but which have been and continue to be regarded as matters of legitimate grievance by the aboriginal people of Canada, particularly with their national government and with some of the provincial governments as well.

We look forward to participating in the debate on the amendment which will be brought forward, as the First Minister indicates in his statement. In the meantime, he will understand that there will continue to be, from our side of the House, if not from other parts of the community, questions which will arise about the positions which are stated on behalf of the Government of Manitoba by the First Minister, by his Attorney-General and by others, because some of these statements, of course, can arouse some disquiet on the part of people, other than those of aboriginal background, with respect to some of the effects that they might have on land holdings, on property rights, on other matters which may well not be in jeopardy whatsoever. That is why, from time to time, Sir, we will be asking questions, largely for clarification, largely for the purpose of elucidating what the government means when it talks about such matters as aboriginal lands, title to aboriginal lands, matters that I was questioning the First Minister about before.

But we do thank him for this report and will look forward to participating in further debate when the amendment is brought before the Chamber.

MR. SPEAKER: The Honourable Member for Morris has a point of order?

MR. C. MANNES: No, no point of order.

ORAL QUESTIONS Cont'd

School buses

MR. SPEAKER: In accordance with the agreement of the House, Oral Questions.

The Honourable Member for Morris.

MR. C. MANNES: Thank you, Mr. Speaker. In the absence of the Minister of Education, I'm wondering if I could pose a question to the Minister of Economic Development. I'm wondering whether she can confirm that the Government of Manitoba has awarded a contract for purchasing 75 school buses to an Ontario firm, namely, Thomas Bus.

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. M. SMITH: Mr. Speaker, that is the current situation.

MR. C. MANNES: A supplementary. I'm wondering if the Minister could confirm that a Manitoba-based

manufacturer, namely, Superior Bus of Morris, tendered for the contract.

HON. M. SMITH: Mr. Speaker, that is true - at a price over 20 percent above the price submitted by the other firm. Although we do have a policy now whereby we can review tendering and on occasion make a discretionary move in favour of a provincial company, we'd never contemplated allowing discretion to that extent.

We have reviewed this particular tender several times because we share with the Member for Morris regret at making this decision. But it's our intent in our purchasing policy to assist local firms where we can but within a certain range of discretion. It hasn't been our intent to ignore completely the cost to the public.

MR. C. MANNES: Thank you, Mr. Speaker. In light of the government's decision I'm wondering if the Minister could indicate how many people have been thrown out of work at this time because of that decision.

HON. M. SMITH: Mr. Speaker, there's no simple answer to that question because a firm such as Superior is not dependent solely on one bid or one tender. They are producing a quality product, they are improving their quality and their production efficiency and they do make bids in other places than in Manitoba.

The purchasers have worked with the Superior people to help them see where they could improve in the tendering process and make sure that they have full knowledge of why they were unable to secure this particular tender. It is certainly our devout wish to give every possible consideration to a Manitoba purchaser. But I'd be interested to know from the member opposite whether he thinks the government should go to an unlimited extent of price preference for a local supplier, or whether he agrees with us that we can use some discretion but that we cannot go to an extreme position in granting a bid.

MR. C. MANNES: Mr. Speaker, I'm wondering if the Minister can tell me when the contract was officially granted to Thomas Bus and when in fact Superior Bus found out. How many days or weeks or months later?

HON. M. SMITH: Mr. Speaker, I can undertake to get that detailed information. There would have been some delay in the granting of the bid because we did look at it several times and from several angles. It was certainly our wish, if we could have found a sound rationale, to recognize the Superior bid, but we just could find no rationale in this particular instance.

MR. C. MANNES: Mr. Speaker, I'm wondering if the Minister could confirm that the loss of this contract potentially represented a loss of three or four months work to this particular manufacturer.

HON. M. SMITH: Mr. Speaker, the normal procedure for a company is to have several tenders in at any one time and I don't know of any company that's completely dependent on winning a particular tender. They're in a very difficult situation indeed if they've arrived at that point.

As I said to the member opposite, if he can give us any rationale that balances out a reasonable price to be paid by the public for locally produced goods, what reasonable percent difference he would think we should allow in terms of the public interest, I'd be interested in hearing it. In our judgment the difference was just too great in this case.

MR. C. MANNES: A final question, Mr. Speaker. I'm wondering if the Minister's department has done an analysis on the future viability of Superior Bus in Morris and can she confirm that, with the loss of this contract, probably that company will have to close its doors.

HON. M. SMITH: Mr. Speaker, we've been working closely with Superior Bus for over a year and I think there's no dirt of analyses. There have been severe problems in the operation of the company. There has been some difficulty with making bids at prices which were below what the cost of production was, and I guess to get the company on an even keel it's been necessary for them to cost out more accurately what it's actually costing them to produce buses.

At the same time, they have been putting in place much more efficient measures of inventory control, of production and I have full confidence that the company will weather the current storm and continue to be a producer of buses in Manitoba.

First Ministers' Conference - delegate

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. D. BLAKE: Thank you, Mr. Speaker. My question is directed to the Minister of Municipal Affairs. I wonder if the Minister could inform the House who is the delegate representing the Union of Manitoba Municipalities, or the observer at the recent First Ministers' Conference just concluded in Ottawa.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. A. ADAM: I'm not aware that the Union of Manitoba Municipalities had an observer there. I have read an article, Mr. Speaker, in the press that the Manitoba Urban Association did have an observer at that conference. That would have been arranged through the First Minister's office so I would refer that to the First Minister.

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: I'm pleased that the member has raised this question which is one I think that would be of appropriate concern insofar as the Union of Manitoba Municipalities were concerned.

Just prior to our departure for the conference there was a request from the President of the Manitoba Urban Association that Mr. Bill Shead, who I believe is the Vice-President of the Manitoba Urban Association and is located in Ottawa, be permitted to attend as an observer, to which we acceded to that request. It was a request that came to the Attorney-General, came

from the Urban Association just on the eve of our departure for Ottawa and it was on that kind of basis that we agreed to Mr. Shead's attendance, at the request of the Urban Association. There was no formal invitation extended to the Urban Association or to the Union of Manitoba Municipalities.

MR. D. BLAKE: A supplementary, Mr. Speaker, to the First Minister. If Mr. Shead is located in Ottawa, he may find some difficulty being Mayor of Selkirk, Manitoba while he's located in Ottawa.

I wonder then, in view of the First Minister's answer, if he would undertake to provide an apology to the Union of Manitoba Municipalities that they were not invited to send an observer to the conference.

HON. H. PAWLEY: Mr. Speaker, the request would indeed be appropriate from the Member for Minnedosa if we had extended an invitation to the Urban Association and not to the Union of Manitoba Municipalities. We extended no invitation to either organization.

As I indicated what occurred is, Mr. Shead who is the Vice-President of the Urban Association, located in Ottawa during the working week, had requested through the Urban Association President, Mr. Greenslade from Portage la Prairie, the permission for Mr. Shead to occupy an observer's seat during a portion of the conference.

MR. D. BLAKE: Just to follow that up, Mr. Speaker. Mr. Greenslade, the President of the Urban Association, is located in Portage la Prairie where the headquarters of the Union of Manitoba Municipalities is also located and I should have thought there might have been some communication there.

Would it be correct for us to assume, in view of the First Minister's answers, that they gate-crashed your party by sending a representative as an observer?

HON. H. PAWLEY: I can't quite fathom what the Member for Minnedosa is asking, Mr. Speaker. I don't what else there is to say except to emphasize that a request came through at the last moment for Mr. Shead to attend as an observer. I think it would be rather small-minded on our part to say no, particularly when Mr. Shead was able to come in to observe for a few hours, to report back to the Urban Association and to do so at no cost to the Province of Manitoba. In case there is some concern about whether or not Mr. Shead's accommodations or travel or other arrangements were paid for as an observer, the answer is no.

Proposed school at Ile des Chenes

MR. SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Speaker, my question is to the First Minister as well. The Premier has expounded an open-door policy in terms of meeting with the people of Manitoba when they have concerns. In view of the controversy that is going on in the Seine River School Division regarding the proposed school at Ile des Chenes, can the Premier indicate why the people that have been raising objections have not been

able to meet with the First Minister or with the Minister of Education for the past many months?

HON. H. PAWLEY: Mr. Speaker, I'm not quite sure exactly who the member is referring to but there have been meetings involving the Minister of Education, I believe. There have certainly been meetings with people within my own office insofar as the concerns re the parents at Seine River. It is my understanding, Mr. Speaker, however, that the matter is basically a school division matter. It's a matter that falls within the responsibility of the school division and as a result, Mr. Speaker, I think that there would be little that could be accomplished insofar as a meeting that would appear to be stepping on the jurisdiction of the local school division, Seine River.

MR. A. DRIEDGER: Thank you, Mr. Speaker, then to the First Minister. His answer seems to be contrary to the things that he is always expounding in terms of meeting with all people of Manitoba. Incidentally, I might indicate that for four months they've been trying to meet with the Minister of Education as well as with the Premier.

In view of the fact that they can't meet with the First Minister or his Minister of Education, and in view of the fact that the bill that was introduced by the Minister of Municipal Affairs yesterday, Bill 21, which indicates that there's a possibility of municipalities holding referendums for various issues, would the First Minister give the people that are concerned in the Seine River School Division about the building of a school in Ile des Chenes the opportunity to hold a referendum in that school division?

HON. H. PAWLEY: Mr. Speaker, surely it ought to be clear that the issues that pertain to school divisions are matters that are dealt with within the democratic process within a school division. If the majority of the ratepayers within a given school division disagree with the position of their board, then the appropriate measure within a democratic society is for the removal of the school division members with which they have disagreement. Mr. Speaker, that is the democratic process, as I understand it, pertaining to the school division.

As to the issue of a referendum, Mr. Speaker, that is a matter that falls within the appropriate decision-making of the municipality insofar as any situation involving any question to be placed upon the ballot. I might just mention when I'm on my feet that this question first arose from the Member for Pembina about referendums pertaining to the disarmament issue. It is my understanding that three municipalities in his riding have indicated an interest in ensuring that the disarmament resolution is dealt with by way of a referendum in their municipalities.

MR. A. DRIEDGER: Thank you, Mr. Speaker, to the First Minister then, a final supplementary. If he is promoting the democratic system, would he then not agree that to have a referendum about a controversial issue in the Seine River School Division would be one way to do it?

HON. H. PAWLEY: Mr. Speaker, as I have indicated earlier, the issue of whether to submit a matter to a

referendum depends upon the decision-making that exists within the municipality. This government does not intend to tell municipalities whether they're to have referendums on any particular issue or other. That is a matter that falls within the decision-making of the municipalities within which the school division exists as to whether or not there ought to be a referendum pertaining to the school issue. That is the appropriate decision-making body to make that decision, Mr. Speaker.

Closing of obstetrical units

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, in the absence of the Minister of Health and in keeping with the open-government policy just re-expounded by the First Minister, could I ask the First Minister whether the absence this afternoon from the House of the Minister of Health would indicate that the Minister of Health is now, after the fact, meeting with the Board of Seven Oaks Hospital and Concordia Hospital to advise them of the closure of their obstetrical units?

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: On a point of order. I believe, Mr. Speaker, and this was ruled upon at the last Session that it's improper to raise a question pertaining to the absence of a member from the House.

MR. L. SHERMAN: Mr. Speaker, on the same point of order, I am perfectly willing to withdraw that reference to the Minister of Health and certainly there was no intended criticism. The Minister, I assume is busy - I know he's busy - my question simply is, is he now holding those meetings with those two hospitals which he didn't hold before making his announcement?

HON. H. PAWLEY: My apologies, Mr. Speaker, there was so much talk back and forth I couldn't hear the honourable member's final words - if he wouldn't mind repeating them.

MR. L. SHERMAN: I think, Mr. Speaker, that there is so much noise coming from the direction of the Minister of Community Services and Corrections that the First Minister couldn't hear.

Let me put it this way, Mr. Speaker. In view of the fact that the Minister of Health is extremely busy and is working very hard, no doubt 14 or 16 hours a day, most Ministers do, all Ministers do from my experience. Could the First Minister advise the House whether the Minister of Health's busy schedule today is being devoted to holding those meetings with Concordia and Seven Oaks that were not held prior to the decision to close their obstetrical units?

HON. H. PAWLEY: Mr. Speaker, I'm informed that the Minister of Health is out of the province on government business today.

Jobs Fund - Capital

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, my question is for the Minister of Finance. Could the Minister of Finance advise the House whether or not the \$83 million of new Capital Expenditure authority for the Jobs Fund is also part of the \$520 million Crown corporation planned spending as stated in the Budget?

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Mr. Speaker, I'd like to welcome the member back from Ottawa. It's been lonely here. I haven't had any questions for a few days.

Those numbers are a part, initially, of the Crown corporation spending for the year 1983-84 - and I had answered a question in his absence. I want to make it very clear, however, that that \$83 million, although there's sort of a temporary designation, can be shifted around within the Jobs Fund itself, within the \$200 million fund.

One of the reasons we wanted to create that fund, which I said on Budget night was approximately half new money - and it is - was that we would have more flexibility. When it becomes clear that we're not going to spend money in one area, we can look at other areas that will be job-intensive, and also beneficial in the long run for the Capital development of the Province of Manitoba.

MR. B. RANSOM: Well, Mr. Speaker, I know that the Minister of Finance considers that I'm easily confused, but perhaps some of that problem lies with the Minister, refusing on most occasions to give a direct answer to a question. The direct question here simply was, is the \$83 million of new Capital Expenditure part of the \$520 million Capital Expenditure planned by Crown corporations as stated in the Budget? Is that statement in the Budget accurate? Yes or no will do.

HON. V. SCHROEDER: Mr. Speaker, I think if the member wishes to refer to my previous answer, that question was answered.

Government borrowing

MR. B. RANSOM: Mr. Speaker, a few days ago I asked the Acting Minister of Finance if she could advise the House how much borrowing the government intended to undertake before the end of March this year. I wonder if the Minister has an answer to that question.

HON. V. SCHROEDER: Yes, Mr. Speaker, we have completed our borrowing requirements as of now for the year 1982-83.

Returns to orders

MR. B. RANSOM: I have a question for the Attorney-General in his capacity as House Leader. Last year, Mr. Speaker, there were a number of written questions

placed on the Order Paper and we had been assured that answers would be forthcoming to those questions. So far, we have not received answers to them all and I wonder if the Government House Leader can advise us when we might expect those answers.

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Yes, I'll take that question as notice. I have been monitoring the returns from time to time. I'm certainly prepared to review with the respective Treasury Bench members where the answers are in process. I'm satisfied that they are all in preparation and will be tabled as soon as available, but I will be more precise either by tomorrow or Monday at the latest.

MR. B. RANSOM: Mr. Speaker, a further question to the Government House Leader. Since the House has now been sitting for some three weeks and time is wearing on - we're over halfway through March - I'm wondering when the government will become organized to the point that they will be able to call some committee meetings of the standing committees.

HON. R. PENNER: I will not, in order to prevent the raking up of old fires and dead ashes, remind members of this House why we're so delayed. We are not at all disorganized, we're fully organized. Committee meetings will be announced during the course of this coming week.

Searching fees

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker, I direct my question to the Minister of Consumer and Corporate Affairs and would ask him whether or not the fee which is charged when searching out the name for a company, for a business in the province, somebody that wants to register a business, if that fee charge has been increased from \$5 to \$20.00.

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

HON. J. BUCKLASCHUK: Yes, Mr. Speaker, I'll take that question as notice. I believe that information is published in the Manitoba Gazette. I will seek that out and I'll report back.

MR. R. BANMAN: I wonder, Mr. Speaker, if he could also check into the problem that many people who wish to incorporate a company and are searching out a name are now facing and that is that if the one name they wish to register is not acceptable - I have one case where they had to go and do three or four searches. It cost \$100 before you can find a name that you can register, whereas before, it only cost you maybe about \$10.00.

HON. J. BUCKLASCHUK: I'll take that question as notice.

Resuming of Public Utilities Committee

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker, following upon the question of the Opposition House Leader, could I ask the Attorney-General, either on his own behalf or on behalf of the Minister of Mines and Energy, if he could give an undertaking to the House that the Public Utilities Committee of this Legislature, the Standing Committee, be called at an early date. It was requested by the opposition in December that that committee be called for the purposes of hearing the then President of Manitoba Hydro whose contract was not renewed by this government. Will he give an undertaking that the Public Utilities Committee will be called at an early date in order that we may get on with the business of Manitoba's largest Crown corporation and be no longer delayed by the incoherence and chaotic organization of this government?

MR. SPEAKER: The Honourable the Attorney-General.

HON. R. PENNER: As I said in my previous answer, I will furnish the House next week with a proposed list of the committee dates and that will include a date for the meeting of the Public Utilities Committee.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, would you please call the proposed motion, standing in my name, on page 4, with respect to the extension of time for the Tabling of Reports, and the extension of time with respect to Private Bills. It stands adjourned in the name of the Member for Turtle Mountain.

MR. SPEAKER: On the proposed motion of the Honourable Attorney-General.

The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, I would ask that this matter stand. My understanding from speaking with the Government House Leader earlier today was that this would not be called.

MR. SPEAKER: Stand. The Honourable Government House Leader.

HON. R. PENNER: Yes, I regret that I left that impression with the Member for Turtle Mountain. I don't recall having said anything that would have indicated that. Nevertheless, if that's his impression, I am perfectly prepared to call it tomorrow, and I will then give notice that it will be called tomorrow to be dealt with.

MR. SPEAKER: The next item. The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, I move, seconded by the Minister of Finance, that Mr. Speaker do now leave

the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Supply with the Honourable Member for River East in the Chair for the Department of Agriculture, and the Honourable Member for Burrows in the Chair for the Department of Consumer and Corporate Affairs.

HON. R. PENNER: The Estimates with respect to Agriculture will proceed in the House and the Estimates of the Department of Consumer and Corporate Affairs will proceed in a committee outside of the House.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - CONSUMER AND CORPORATE AFFAIRS

MR. CHAIRMAN, C. Santos: The Committee may now begin. This section of the Committee of Supply will be dealing with the Estimates of the Department of Consumer and Corporate Affairs. We will begin at Item 1.(a).

Does the Minister have anything to say? We shall begin with the Minister's opening remarks.

HON. J. BUCKLASCHUK: Thank you, Mr. Chairman, honourable members. I'm pleased to present the Department of Consumer and Corporate Affairs 1983-84 spending Estimates. This being the first opportunity I have had as a Minister to present Estimates I ask that members bear with me.

This year for the first time, for the Consumer and Corporate Affairs Department, the honourable members are being provided with a Supplement to the printed Estimates. These have already been handed out and I will be making reference to them. The Supplement gives an overview of the department's Budget requirements, a detailed financial analysis by program, including a description of program responsibilities and some historical Budget comparisons.

I'm pleased that we can provide the information to members on a trial basis as it is my position that the more information members have the more meaningful Estimates debate is. If any of the honourable members have any suggestions for improving the format or for additional material that they would like to see included in the future I would appreciate receiving your comments. Some things I would like to see included in future years are output statistics such as are contained in the Annual Report, perhaps written explanations of the variances from one year to the next.

Moving directly to the Estimates before you, the first Resolution, No. 37, found on Page 34 of the Main Estimates covers Appropriation 1. Management and Administration. This appropriation contains provision for one-half of my salary as Minister; funding for the Executive Offices, that is, my office and the Deputy Minister's office; our Administration Branch and the Consumer Communications Branch. You will note there is an increase of \$110,100 in expenditure in Appropriation 1 - \$79,900 is related to the general salary increase, the occurrence of a 27th pay period next

fiscal year, and salary adjustments. Also included is the reduction of a clerical position and \$15,800 in funding in the Deputy Minister's office. The increase of \$27,200 in line (b)(2) in Other Expenditures in Appropriation 1, is an increase in the Consumer Communications Budget to allow for an expanded information program related to door-to-door sales and for some translation of existing material into other languages.

The Consumer Communications Branch is as important a part of this department as programs. In my view, having good consumer protection law is only half the battle; communicating the law and what it means in day-to-day living is a necessary second half. I would go so far as to say that law which few are aware of, or that is incomprehensible to the average person, is bad law. Alerting consumers to potential problems prior to purchases is obviously highly desirable, but perhaps not so obvious is the branch's role in providing information to consumers and business people in regard to their rights and responsibilities under the laws of Manitoba. This is a problem of long standing and one which will be somewhat expanded, as I have indicated.

New in 1983-84 for the consumer communications area will be the start up of a Volunteer Outreach Program. Essentially, volunteers will be used to help reach those Manitobans with whom the department has more difficulty with communicating this information and educational program. The main target group for 1983-84 for this program will be seniors. If the desired level of success is achieved with that group, the Volunteer Program may be expanded in 1984-85 to include new Canadians and others for whom the language may be a problem.

Appropriation 2, Resolution No. 38, Consumer Affairs covers the Consumers' Bureau Program and policy support and grants to organizations. The Consumers' Bureau has experienced a dramatic increase in workload over the last year up over 30 percent. As a result, an additional officer position has been added to the Consumers' Bureau. That, plus some administrative changes to ease processing of files and licences, should allow the bureau to maintain this level of service to the public.

In the area of research and monitoring consumer problems, the Program and Policy Support Branch has also been busy. This area is responsible for reviewing a host of consumer issues and legislation. This includes commodity prices such as gasoline, and federal legislative initiatives. The Branch also plays a role in the legislative initiatives of the department. One of the changes in Consumer Affairs has been a deletion of the Assistant Deputy Minister's position. This position was necessary when the department's responsibilities included environmental management, but with the transfer of those and other responsibilities, the position became redundant.

The increase in expenditures in Consumer Affairs is in salaries and reflects the general salary increase, the 27th pay period and annual increments for a total of \$176,700 plus \$30,000 for the additional officer for the Consumers' Bureau, less the funding for the Assistant Deputy Minister's position. A small increase of nine percent for grants is included.

Resolution 39, Appropriation 3, Corporation Affairs, includes the Corporations Branch, the Insurance

Branch, the Securities Commission and the Public Utilities Board. Again the increase is due almost entirely to salaries which have risen \$295,000, due to general salary increases, annual increments and the 27th pay period. During 1983-84, my officials will begin reviewing The Corporations Act in regard to trust company administration and The Insurance Act. Recent events have highlighted the necessity for these reviews. The honourable members should be aware that in the case of Northern Union Insurance Company, the provisional liquidator, Dunwoody Ltd., is working to wind up the affairs of that company.

That then, is a brief look at the Estimates for 1983-84 for Consumer and Corporate Affairs. I recommend these Estimates to you for your scrutiny and approval.

MR. CHAIRMAN: Does the Opposition critic have anything to say on this matter?

The Honourable Member for Tuxedo.

MR. G. FILMON: Thank you, Mr. Chairman, just in beginning to review the Estimates of the Department of Consumer and Corporate Affairs I'd like to make a few brief remarks and ask if the Minister would consider sharing with us a copy of his opening remarks. I tried to take some notes based on his remarks, but it might be easier if I could have that to review over the supper hour and, therefore, not have to ask him questions that may be answered in his opening remarks. I think this was standard practice in the past. I know we certainly gave copies out. If this is so, that might save a little time and following upon that I would certainly like to, on behalf of the Members of the Opposition, welcome him to his position as Minister of Consumer and Corporate Affairs. We will, I assure him, bear with him in going through this. Our objective is to obtain as much information as possible in order to satisfy ourselves as to the priorities and objectives of his department, through the Estimates process, and will be happy to have him, since we are in the context of the committee location, refer to whatever resources within his department are available to provide him with the information that we require in order to do justice to the Estimates.

In beginning the process his opening remarks did raise a number of items that I'd like to comment on or question. I wonder if he could just do an overall analysis because it certainly occurred to me as soon as I received the Estimates, that there was a rather large increase in salaries in the department. Of course, if one looked at it on a percentage basis it seemed inordinately large.

The Minister has indicated that essentially there has been almost no increase in SMYS, that it is just a combination of the general salary increases and the increments. Of course, I think most Manitobans, most taxpayers are not aware of the cumulative effect. They look upon settlements such as the Manitoba Government Employees Association recently received, which say that there's been a, shall we say, an 8 percent or a 10 percent or whatever the figure is, increase one year over another and they're not aware of the fact that in addition these employees get incremental increases by virtue of entering another category from their years of experience and they keep being bumped up.

So I wonder if we could just have, some time in the next day or so, the analysis done of just what is the overall effect of the combined increases of the GSI and increments on a percentage basis for this department, stripping out any increases or decreases in SMYs and see what the total produces as an increase for this department, just as an example.

As well, I note that the Minister referred to the deletion of an Assistant Deputy Minister position within the department saying that the reason it had existed, of course, was because of the former combination of Consumer and Corporate Affairs and Environment, and that the ADM was the ADM of Environment. But I was rather surprised at that since that re-organization took place prior to last year's Estimates and if it appeared in last year's Estimates as a staff position and a figure was attached to it, then would there not have been a similar position for Dr. Bowen who was the ADM of Environment in the Environment section, which was combined with the Northern Affairs Estimates last year? If that was the case then, does that mean that the department was underspent in its expenditures last year as compared to the Estimates that were printed? Do you have any recent computer printouts that indicate to what extent the department was either underexpended or overexpended compared to the printed Estimates figures last year?

Finally, I wonder as a part of the opening statement, if the Minister could indicate to us what new legislation he will be presenting to the House under his responsibilities as Minister of Consumer and Corporate Affairs, that is, what new legislation, what bills he is assured of presenting to the House at this point in time, and what are under contemplation. That possibly might save a lot of discussion and questioning that I have in mind to do, if he could indicate just what are under consideration and what bills are to be presented at this Session under his responsibilities for Consumer and Corporate Affairs.

Finally, if I could just ask the question based on his opening remarks of what materials are to be translated and into which languages. He referred to several folders which I assume are to do with Consumer Affairs, the various responsibilities and services that are provided by the Consumer Affairs section of his department for the edification and protection of consumers, to make them aware of their responsibilities - I know there are various folders - and I just wonder which ones are being given priority in terms of material intended to be translated and into which languages.

MR. CHAIRMAN: As customary, we shall defer the debate on the item, Minister's Salary, and shall begin on Item 1.(b)(1). The staff may now come forward if they wish to.

The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, on 1.(b)(1) the Minister indicated that an ADM position was deleted, yet salaries are up fairly significantly. Is there an increase in the number of positions in this area is the first question. The second question is, how many executive assistants does the Minister have, or special assistants?

HON. J. BUCKLASCHUK: Just in discussing these figures, I am just wondering, do we want to refer to

the supplements? It's a little simpler and there is certainly more information there. I think we would turn to Page 19. The first question was the increase in salaries from \$497,000 to \$576,900.00. That gives us a difference, I believe, of \$79,900 that I referred to in my opening remarks.

I would refer you to References 2, 3 and 4 on Pages 19, 20 and 21. I believe that's right. If we deal with the personnel sections of those three references, that will account for that difference of \$79,900.00. In terms of staff years, we have 20.26 for last year and for 1983-84 it is one staff year less, 19.26.

The second question. I have an executive assistant who is paid out of Consumer and Corporate Affairs. I have a special assistant who is out of Co-Op Development.

MR. CHAIRMAN: The Honourable Member for Tuxedo.

MR. G. FILMON: Mr. Chairman, the decrease of one in the clerical, that was the only change then in that section of the Estimates? It is down by one.

HON. J. BUCKLASCHUK: That appears to be the only change.

MR. G. FILMON: I wonder then, if the Minister could respond to a couple of the questions that I put to him, one being, where we would find a deletion of the ADM in the Estimates? Why is that ADM of Environment was still in the staff compliment when presumably he was transferred over with the Environment Department in Northern Affairs Estimates last year?

MR. CHAIRMAN: The Honourable Minister.

HON. J. BUCKLASCHUK: With reference to that ADM's position, my understanding is that the position came from the Planning and Programming Branch, and the ADM position, of course, is occupied by the present Deputy Minister. So this change was initiated some time ago, it is not something that has just happened overnight.

MR. G. FILMON: Thank you, Mr. Chairman. I thought that was the case, Mr. Zasada, of course, was appointed Assistant Deputy Minister under our administration when I was Minister responsible and I recognize that he is now the Deputy Minister, so you are saying that his position as Assistant Deputy Minister is not to be filled. But I thought - and I haven't had time to go through them - in your opening remarks you had referred to the transfer with respect to the Environmental Management section. I could be wrong but I thought there was a reference when you spoke on that.

HON. J. BUCKLASCHUK: I am informed that the Assistant Deputy Minister's position was created when Environmental Management was part of the department, and when that was taken out that position was no longer there.

MR. G. FILMON: So what you are saying is that with the reduced responsibilities of Consumer and Corporate

Affairs it has been decided that it doesn't require both the Deputy Minister and an Assistant Deputy Minister, but one administrative position will suffice.

HON. J. BUCKLASCHUK: That is correct.

MR. CHAIRMAN: 1.(b)(1)—pass?

MR. G. FILMON: Mr. Chairman, I wonder if the Minister would answer the question that I posed to him about which folders and which materials were to be translated and into which languages.

HON. J. BUCKLASCHUK: The folders that are being translated, I'm taking that to find out information, but these are taken at the request of, I believe, the International Centre, as we have newcomers to the province and there is a need for pamphlets in various languages. The more important pamphlets will be translated into that language. Some of the pamphlets that our department will be issuing will also be translated into French, or are being translated into French.

MR. G. FILMON: I believe, Mr. Chairman, that some of those folders were available in French in the past, is that correct?

HON. J. BUCKLASCHUK: Yes, they have been, and this is part of an ongoing program so we will find additional pamphlets. I might mention that pamphlets are also being translated into Chinese. I don't know if they were in that language previously.

MR. G. FILMON: Which pamphlets?

HON. J. BUCKLASCHUK: In answer to your question I would have some difficulty in responding to it at this time because the individual that is responsible for the pamphlets is currently on leave, and when she rejoins us then she will be meeting with the International Centre and determining what the needs are.

MR. G. FILMON: Mr. Chairman, what is the amount of money that has been allocated for those translations for this year?

HON. J. BUCKLASCHUK: The figure is \$8,000 in total.

MR. G. FILMON: Thank you. Mr. Chairman, I wonder if the Minister would respond to the requests that I made for a little bit of statistical information. Will he accept my request and offer to bring back the information within the next day or so? Or will he reject my request for the information about the most recent computer printout, as to whether or not the department will be underspent or overspent versus last year's Estimates? Also, will he undertake to bring a percentage that gives an increase of the salaries for the department, leaving aside any deletions or additions to staff but just taking the same staff complement this year versus last year, and the effect of the accumulative effect of GSI and increments?

HON. J. BUCKLASCHUK: Yes, I will provide information as soon as possible.

MR. G. FILMON: May we have it before we're finished the Estimates?

HON. J. BUCKLASCHUK: I'm informed that we can have this information by Monday. Will that be sufficient?

MR. G. FILMON: I guess we'll have to keep the Estimates going until Monday then, Mr. Chairman. Would the Minister as well, answer please, the question that I asked about what new legislation he will be presenting to the House under his responsibilities as Minister of Consumer and Corporate Affairs, both those that he is certain of presenting this Session and others that are being considered?

HON. J. BUCKLASCHUK: At the present time we have introduced amendments to three Acts, The Corporations Act, Partnership Act, Business Registrations Name Act. Those are the only ones that I can say at the present time. We will be looking at additional pieces of legislation but it has to clear through the process before those are introduced.

MR. CHAIRMAN: The Member for Assiniboia.

MR. R. NORDMAN: Mr. Chairman, just one little item, just curiosity. We've got an amount in here for approximately \$18,000 for travelling. What travelling do we do?

HON. J. BUCKLASCHUK: Is that the figure on Page 19 for \$16,000.00?

MR. R. NORDMAN: The \$16,000 there and then there's \$1,000 on the next two pages, there's \$1,200.00.

HON. J. BUCKLASCHUK: Yes, those three figures are budgeted figures for travelling expenses for the Deputy Minister, for the Minister, and I understand that in that figure will be expenditures for overtime for staff, meals, those types of expenses.

MR. R. NORDMAN: In that figure?

HON. J. BUCKLASCHUK: That's right.

MR. R. NORDMAN: Okay. Thank you.

MR. CHAIRMAN: The Member for Tuxedo.

MR. G. FILMON: Mr. Chairman, I wonder if I could ask the Minister if he would tell us what legislation is under consideration for this Session by his department. I know which ones have been introduced in the House and I'm happy to have that confirmed, but what is under consideration at the moment?

HON. J. BUCKLASCHUK: We may be looking at amendments to The Mortgage Brokers Act, The Personal Investigations Act, amendments to The Consumer Protection Act. Those are three Acts that we may be bringing amendments in.

MR. G. FILMON: What was the second one?

HON. J. BUCKLASCHUK: The Personal Investigations Act.

MR. G. FILMON: Can I assume from that then, that the Minister does not intend to bring in legislation that would permit the government to enter the life insurance industry in Manitoba?

HON. J. BUCKLASCHUK: Mr. Chairman, is this the appropriate forum to deal with that issue?

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, I'd like to submit that it is. The government is not in the business. This is part of the executive administration of the department. I believe the Minister is charged with the responsibility of investigating whether or not the government is reporting and recommending action on that Throne Speech promise, and I think this is the area where this general question can be discussed.

MR. CHAIRMAN: The Member for Springfield.

MR. A. ANSTETT: Mr. Chairman, to the question of the Minister, which I take is being raised as a point of order. The government's intentions with regard to policy are enunciated in the Throne Speech and the Member for St. Norbert is free to take whatever conclusions he wishes to take from that.

The detailing of enactment of government policy where it requires legislation, requires the introduction of a bill and we would be duplicating that debate if we began to go into that matter at this point.

The government has announced its policy. The purpose of this committee meeting is to discuss the Estimates of Expenditure. Only if there was a line providing Estimates of Expenditure relating to the proposed program that was in the Throne Speech, would that examination and that policy question then come under the purview of this committee.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, this line involves executive direction and co-ordination of programs. This Minister is charged with the responsibility of investigating the entrance of the government into the life insurance industry. Unless he is doing nothing, Mr. Chairman, with which I would be happy, he must be doing something on it in this particular section. This is an executive responsibility and surely we are entitled to ask questions under this section on his responsibility.

MR. CHAIRMAN: Does the Minister wish to reply?

HON. J. BUCKLASCHUK: In my capacity as Minister of Consumer and Corporate Affairs, I'm responsible for the regulation of the insurance industry. The question as to whether or not we'll be bringing in legislation to enable MPIC to get into the life insurance and pension areas is a matter that is within my responsibility as the Minister responsible for MPIC.

MR. CHAIRMAN: Mr. Premier.

HON. H. PAWLEY: Mr. Chairman, so there need be no misunderstanding, I think there is also, if I understand correctly, even with a decision, if one be positive to proceed into the life insurance field, there is a question which can only be dealt with by legal advisors as to whether or not legislation is necessary. The question presupposes the necessity of legislation and that is a matter that would have to be finally determined by way of the Attorney-General's Department or legal advisors as to whether legislation was actually required under the existing legislation.

MR. CHAIRMAN: The Honourable Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, I'd like to know what studies the Minister undertook with regard to the life insurance industry prior to the announcement in the Throne Speech.

HON. J. BUCKLASCHUK: The Throne Speech is arrived at by consultation with members of Cabinet and it was a decision at that time that we would consider the feasibility of entering into that area. There may have been studies done prior to my having assumed the responsibility for that area.

MR. CHAIRMAN: The Member for Tuxedo.

MR. G. FILMON: Mr. Chairman, we assume then that the department or the Superintendent of Insurance did not make any studies that led to this decision.

HON. J. BUCKLASCHUK: Again, I would have to say that in my responsibility as the Minister for Consumer and Corporate Affairs and being responsible for the department of the Superintendent of Insurance, it's the responsibility of the department to regulate and to license insurance companies.

MR. G. FILMON: Well then, in that capacity and having regard to that responsibility for regulating and licensing, did the Superintendent of Insurance at any time make a recommendation that it would be in the public interest to have the government enter into the field for whatever reason, for keeping a window on the industry, or ensuring that there was fair competition, or ensuring that the rates would be more competitive or anything like that?

HON. J. BUCKLASCHUK: I did not receive any such recommendation from the superintendent, nor do I receive similar recommendations on existing insurance companies from the superintendent.

MR. G. FILMON: Did the Minister say that he doesn't receive recommendations about whether or not insurance companies should operate, from the Superintendent of Insurance?

HON. J. BUCKLASCHUK: That wasn't what I was saying. You had referred to items such as competitive rates and so on, and my response is that is not the type of information that the superintendent provides me, as to whether one company is more competitive than the other.

MR. G. FILMON: The point of my giving as an example the competitiveness of rates was to determine whether or not there was some public interest in providing more competition or a window on the industry by virtue of government involvement in life insurance marketing in this province.

HON. J. BUCKLASCHUK: We're dealing with a political decision and that isn't a type of decision that would come from the Superintendent of Insurance.

MR. G. FILMON: So we can assume that there was no recommendation and there was no study or information acquired that led to that political decision then.

HON. J. BUCKLASCHUK: There was no recommendation, study or whatever from the Superintendent of Insurance.

MR. G. FILMON: Or any portion of the Department of Consumer and Corporate Affairs?

HON. J. BUCKLASCHUK: Or any portion of the Department of Consumer and Corporate Affairs.

MR. CHAIRMAN: 1.(b)(1)—pass; 1.(b)(2)—pass; 2.(a).
The Member for Tuxedo.

MR. G. FILMON: Mr. Chairman, the Minister indicated that among other things, one of the things he didn't indicate in his response regarding legislation under consideration was anything to do with the protection of deposits of consumers on major purchases. That was a matter that I questioned his predecessor about last year and I'm wondering whether or not that type of legislation is being contemplated.

HON. J. BUCKLASCHUK: Yes, it is. It would be under The Consumer Protection Act.

MR. G. FILMON: Is it at the present time considered that that would be narrowly defined to cover purchases just in certain areas such as automobiles as I believe that they have enacted or presented to the House in Ontario, or would it be broader than that and cover all major purchases of hard goods or travel or any other areas? Could I ask the Minister that?

HON. J. BUCKLASCHUK: It would be my hope that it would extend beyond deposits on automobiles and perhaps include furniture, major items. I don't, at this time, foresee that it would cover the travel industry.

MR. G. FILMON: Last year, Mr. Chairman, as a result of the failure of a fairly large tour wholesaler in the travel business in Manitoba, the Minister's predecessor stated that legislation was under development that would bring forth travel industry legislation and I believe that both during the Estimates process and questions in the House, the Minister gave the distinct impression that it was a priority of the government. I am aware because I was just reviewing my copy of a draft of such legislation - that a first draft that admittedly needed changing and needed revision - but a first draft had

been produced way back in 1981 under our administration. In fact, there had been other drafts produced earlier than that but this was one that was submitted, I believe, to the travel industry. I'd like to know then, since that wasn't one of the pieces of legislation the Minister indicated that his department was looking at, I'd like to know what is delaying that and at what stage that legislation is.

HON. J. BUCKLASCHUK: In response to the question about the travel industry and some sort of insurance, we have held meetings with the industry. We had made some proposals that I would think would not be acceptable to the industry.

I've been informed quite recently that the Alliance for the Canadian Travel Agents is looking at a national plan. It would be more attractive because of the reciprocity involved and because of the volume, the rates would probably be much more favourable than anything that could be developed on a provincial basis.

I've just even more recently been informed it seems that their efforts are meeting with some success and it's hoped there will be a program that will be available in the near future which would then preclude the necessity for an insurance program on a provincial level.

MR. G. FILMON: Mr. Chairman, may I ask what aspect of the proposed legislation the Minister felt wouldn't be acceptable to travel agents in Manitoba?

HON. J. BUCKLASCHUK: There were three areas that were of concern to the industry. No. 1, was the ability to raise levies from their members. The second question was the one of joint and several liability. The third problem was how the administration of the program was to be financed. The research that had been done in our department indicated that there would be an expenditure in the neighbourhood of around \$200,000 a year. We did discuss the possibility of a levy against the industry, to perhaps jointly and equally share in the cost of the administration of the program and this was felt to be unacceptable.

MR. G. FILMON: I would take it that such protection for travelers would be in the form of an insurance fund, and then there would be the costs of administering such a fund. So separating the two, is the Minister saying that when he referred to the levies being unacceptable to members, that they wouldn't be willing to pay insurance premiums for insurance protection on the travel business they were doing?

HON. J. BUCKLASCHUK: I'm advised that it was the question of the special levy that was found to be unacceptable. This levy, I understand, is a requirement of the Ontario, B.C. and Quebec legislation and it's brought in once there is a draw on the fund, or a need to replenish the fund. The industry thought this would present some difficulties to its membership.

MR. G. FILMON: Well, is the Minister now prepared then to allow the status quo to exist? There are some very real risks to people who are booked to travel these days. We were fortunate in that over many years we have not had a major failure until about a year ago in

Manitoba. But other jurisdictions, principally Ontario, and I think as well British Columbia, have had some real major failures that have resulted in substantial personal losses to individuals who have been booked with tour companies, travel agencies, wholesalers, whatever.

Is the Minister saying that he's prepared to just simply not arrive at agreement with the industry and let the status quo exist with all of its attendant risks?

HON. J. BUCKLASCHUK: No, I certainly didn't say that. I should inform the Member for Tuxedo that we do share his concerns about the possibility of travelers losing their investment because of some financial problems of the wholesaler or the agent, the wholesaler particularly.

I'm sure the member also is aware that the legislation in the other provinces is not without its problems. They're not ideal vehicles to provide this type of protection.

We have been informed by the industry that there is this research being done at the present time to come up with a national program and they have asked us not to pursue our efforts any further until such time as they hear from us. Should the attempts that they're making on a national basis not come to be, then we have assured them that we are willing to assist them in every way possible to come up with some sort of a provincial program.

MR. G. FILMON: Has any deadline been agreed upon as to how long you're prepared to allow the ACTA group to put together their national plan before you're prepared to step up efforts to have a provincial plan?

HON. J. BUCKLASCHUK: I believe we are awaiting word from the person that is involved with the legislative committee and I would hope that we would hear from her within the next week or two.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, I wonder if the Minister would be agreeable, just going for one question on Item 1.(b)(2), Other Expenditures. I am just trying to get adapted to this new format in the Supplementary Information. In the Supplementary Information there is an indication that advertising is going from \$12,600 to \$32,600.00. I wonder if the Minister could explain that rather large increase in advertising?

HON. J. BUCKLASCHUK: I am informed that in those figures is an allocation of \$20,000 for a special advertising program on door-to-door sales. We are aware, and I have had correspondence from the Member for Turtle Mountain and from other areas of the province that, in fact, there is a problem out there. So we hope to address it through a vigorous advertising campaign.

MR. G. MERCIER: Mr. Chairman, I thank the Minister for going back and answering that question. On the matter raised by my colleague, the Member for Tuxedo, setting aside the travel industry for a moment, he indicated that their government is giving consideration

to some changes in the legislation to protect deposits on major purchases. Could he indicate what, if any, consultation there is going on with industry on that aspect?

HON. J. BUCKLASCHUK: The Consumers' Bureau did carry out a survey last spring. They contacted major automobile dealers and furniture dealers. The response was quite positive to the establishment of some trust-account mechanism in which they would launch the deposits.

MR. G. MERCIER: Mr. Chairman, has the Minister or his department given any consideration to what might be a more simpler way of dealing with this problem which is very serious for the individuals affected. If there were a change in the bankruptcy legislation and the priorities under the bankruptcy legislation, this might very well go some distance to solving the problem. Has the Minister considered that, and if he has, has he had any communications with the Federal Minister responsible for The Bankruptcy Act?

HON. J. BUCKLASCHUK: Well, I thank the member for that suggestion. It has been indicated that bankruptcy legislation is within federal jurisdiction and I am not aware of any correspondence that may have gone to the Federal Government on this subject. It might be worth looking at.

MR. G. MERCIER: Mr. Chairman, I think it would be well worthwhile to think of that and to give it some consideration and communicate with the Federal Government on it because it has been a serious problem over the past few years. In view of the state of the economy, it may very well continue to be a serious problem.

If I could raise just another matter relating to consumers, a matter which some constituents have talked to me about from time to time. It is relative to telephone soliciting and the badgering, particularly of women at home, who continually receive telephone soliciting calls. I think they are generally very reasonable people and find a few acceptable, but in many instances recently, telephone soliciting, as they have communicated to me, is very very bothersome to them, and there are repeated calls from the same organizations. It is probably just a few organizations that are the culprits in that area. But I wonder if the Minister or his department has considered that? I don't have the answer to it. I would be concerned about undue interference with the private sector, but I wonder if any thought has been given to it?

HON. J. BUCKLASCHUK: I thank the member for bringing that to my attention. I must admit that I haven't received any complaints in my office on this particular problem, but I can appreciate that telephone soliciting can be very bothersome, particularly to the elderly and particularly if you have a persistent solicitor. If the telephone soliciting is being done on behalf of a licensed direct seller and if there were sufficient complaints made to the Consumers' Bureau, we could take a look at conditioning that license, so that we could restrict the hours or the manner.

MR. G. MERCIER: Mr. Chairman, I thank the Minister for that and I can pass on that information. As I understand it, if they are licensed as a direct seller, then complaints could be made.

MR. CHAIRMAN: 2.(b)—pass?
The Member for Tuxedo.

MR. G. FILMON: Mr. Chairman, I wonder as well, if the Minister wishes to discuss under this item another matter that is very topical - in fact it is in today's paper about the Captran Resorts, Falcon Lake Resort and Club. At the time that our government left office, we had authorized the department to proceed with the preparation of legislation for time-sharing properties. I'm wondering whether or not the Minister's department is involved in this or is still contemplating it, or conversely, whether or not the Minister's department is up-to-date in playing a role in the current difficulties that are being experienced at Falcon Lake Resort.

HON. J. BUCKLASCHUK: Would the member want me to respond to that at this time or when we are dealing with the Securities Commission?

MR. G. FILMON: I thought the Minister might prefer to do that, so that's why I raise the matter now, just to ensure that we have it on the table and can discuss it.

HON. J. BUCKLASCHUK: Okay, we will deal with it at that time then.

MR. G. FILMON: Mr. Chairman, last year the department gave a grant to an outfit called Community Credit Counselling Service. Is there another grant this year to that organization and, if so, in what amount?

HON. J. BUCKLASCHUK: Yes, that will be dealt with in Section 3 under Corporate Affairs.

MR. G. FILMON: Well, with due respect, I don't believe it should be dealt with under Corporate Affairs. That's why I am waiting for the Minister to clarify his statement.

HON. J. BUCKLASCHUK: Yes, it's under Consumer Affairs, line 2.(c), and the member is quite correct, that we gave the Community Consumer Credit Counselling a grant of \$50,000 last year. I indicated in my introduction that our grants have been increased by 9 percent so the grant for 1983-84 will be \$54,500.00. We also made a grant to the Consumers Association of Canada last year in the total of \$8.8 thousand and the grant for 1983-84 will be \$9.6 thousand.

MR. G. FILMON: Mr. Chairman, does the department monitor what these people are doing with respect to Consumer Credit Counselling? Are they satisfied that these people have either the expertise or the resources and knowledge to provide the proper kind of credit counselling to the clients with whom they deal?

HON. J. BUCKLASCHUK: Yes, we've met on a number of occasions with the executive from the Community Consumer Credit Counselling. On the basis of the

information that was provided to us we felt quite satisfied that they were performing a valuable service that was worthy of our further support.

MR. G. FILMON: Mr. Chairman, I've read and heard of complaints from people who have dealt with them. I realize they are located in the Core Area and they deal with a very specific clientele. These are people who unfortunately are oftentimes not very well informed of their rights and responsibilities and are lacking in knowledge of the overall system of consumer transactions and this organization, as I recall, started out really in the income tax return business. They were set up based on grants from various levels of government to provide assistance in the preparation of income tax returns for their clients.

They then convinced the Minister's predecessor, that they were capable of also being able to provide assistance to these same clients with respect to consumer credit counselling. One of the complaints that was lodged, I think, with one of the open-line radio shows was, that they gave improper advice, incorrect advice. What are the qualifications of the people who are providing this consumer credit advice, under a grant from the government, to their clients?

HON. J. BUCKLASCHUK: Mr. Chairman, we don't maintain any quality control of the activities of CCCC and it's very possible that on occasion some client may feel that he or she has been given improper advice.

I would like to indicate, though, that the Community Consumer Credit Counselling organization is aware of the volunteer credit counselling work that our department is doing at Selkirk and Portage. They have access to our manuals; they know the type of training that is required of the volunteers to be assisting us, and we would hope if there are any shortfalls in their performance, that they will be improving their performance as a result of the program that our department has developed.

I should also indicate that in 1982, I'm informed, they handled about 600 cases. They do deal with the lower income class - about 80 percent of their clients have an annual income of less than \$10,000 - and they are enrolling new clients in a range of anywhere from roughly 30 to 60 new clients a month.

MR. G. FILMON: Are these the same people who were given a grant by the Provincial Government this year as the Community Employment Counselling Service?

HON. J. BUCKLASCHUK: I'm not aware of any such grant having been made, certainly not from our department. The only two grants that we make to outside organizations as noted, are the Consumers Association of Canada and the CCCC.

MR. G. FILMON: I have a news release in my files, not right in front of me so I'll bring it with me this evening, from the Minister of Labour in which her department has given an organization that lists as its address the same address as the CCCC, for Community Employment Counselling Service to presumably the same group of clients in their North Main location.

HON. J. BUCKLASCHUK: Well, I have no knowledge of that and if the member would bring the material

with him later this evening, we could take a look at that and find the answers.

MR. G. FILMON: If the organization, which as I said, was getting a grant for income tax preparation on behalf of its clients, is it still getting a grant for income tax preparation purposes or is this now a combined grant for the two purposes?

HON. J. BUCKLASCHUK: The grant that is provided by our department is only for the credit counselling aspect of their operations.

MR. G. FILMON: Is the Minister aware of whether or not other departments within the Provincial Government are providing other grants for the income tax preparation side of things?

HON. J. BUCKLASCHUK: I am not aware of any other department making grants to this organization. May I add something to that? I just recalled that some of their funding does come from the Federal Government and I'm told that the remainder of their funding comes from the United Way. So they have three sources of funding.

MR. G. FILMON: Is this organization providing services that are not available from the department with respect to consumer credit counselling?

HON. J. BUCKLASCHUK: The type of credit counselling that is provided by the CCCC is not provided by our department, other than in the pilot projects at Portage la Prairie and Selkirk.

MR. G. FILMON: Is this form of counselling available through other sources in the community?

HON. J. BUCKLASCHUK: I would imagine that the type of service provided by the CCCC may also be provided by some church groups or community groups; possibly by some lawyers; by some financial institutions. In terms of an organized organization that deals specifically with that as a goal, I'm not aware of any.

MR. G. FILMON: In view of the fact that the Minister has indicated that the services that are being provided carry with them no sort of obligation on the part of the department to ensure that any reasonable or proper information is being provided, what was the basis on which the decision was made to fund this organization?

HON. J. BUCKLASCHUK: I must say again that the CCCC are aware of the Consumer Counselling Program that has been developed by our department, but we're not involved in quality control of the services they're providing. On the other hand, I have not received a single letter of complaint about the CCCC.

MR. G. FILMON: If the voluntary program that the Minister has referred to as being provided currently in Portage and Selkirk, I think he said, could it not be provided in Winnipeg on the same basis and at, presumably, less cost?

HON. J. BUCKLASCHUK: The volunteer program at Selkirk and Portage is just getting off the ground and

it's there to meet a need that is not being met. There are probably other areas of Manitoba that we could look at if the Selkirk and Portage projects turn out to be successful. In the meantime, that service is available to the residents of Winnipeg through the CCCC, so we wouldn't see any benefit, in a sense, in competing with an existing service.

MR. G. FILMON: What is the cost of providing the voluntary program in Portage and Selkirk?

HON. J. BUCKLASCHUK: If the Member for Tuxedo will allow us, it'll take us a few minutes, but we'll get that figure for you.

MR. G. FILMON: While I'm waiting for that information, could the Minister indicate whether or not the fact that the Minister's predecessor was a former director of the CCCC had anything to do with the decision to fund them?

HON. J. BUCKLASCHUK: I'm just trying to establish the time frame that the Member for Tuxedo is referring to. If he's referring to the increase, certainly as a member of Cabinet, we all reviewed Estimates and he would have had an involvement.

MR. G. FILMON: I was speaking, Mr. Chairman, with respect to the decision to fund them, period, not with respect to a 9-percent increase.

HON. J. BUCKLASCHUK: With respect to the 9-percent increase?

MR. G. FILMON: No.

HON. J. BUCKLASCHUK: Or the initial funding, the \$50,000; whenever that started?

MR. G. FILMON: It started last year.

HON. J. BUCKLASCHUK: The answer to the first question about the cost for providing the Volunteer Credit Counselling Program, I'm informed the expenditure for staff would be in the neighbourhood of \$64,000 additional expenses and these are expenses for traveling; for preparation of manuals; operating expenses would be about \$15,000.00. So, we're looking at a total of around \$78,000 to \$79,000.00.

With respect to the question of the initial funding for the CCCC, that figure would have showed up in last year's Estimates. I don't know what went on in the mind of the Minister of Consumer and Corporate Affairs last year. I'm unable to respond as to how that initial funding came about.

MR. G. FILMON: Mr. Chairman, can the Minister just clarify whether or not the money would have been in the original Estimates? As I recall, the announcement was made after the Estimates were considered so that may have been an area in which either it was done by a Special Warrant, or perhaps it was added later, or perhaps it was in the Estimates but just simply not discussed. That's why I'm calling attention to it at this time.

HON. J. BUCKLASCHUK: Yes, I'll get that information. The staff is looking it up right now.

MR. G. FILMON: I would think that the Minister's predecessor had something of a moral conflict of interest having been a former director, giving a grant of this nature to the organization, as I say, of which he was a former director. So I'm just asking this Minister if he's satisfied himself that it was warranted and not just done because of the involvement of the former Minister with the organization.

HON. J. BUCKLASCHUK: Just getting back to the previous question. I am informed that the figure of \$50,000 appeared in last year's Estimates in the same way that it appears in this year's Estimates as grants. With respect to my being satisfied that the CCCC was producing what it was being funded to do, I had met with the CCCC on a number of occasions and on the basis of the discussions and the information provided me, I was satisfied that they were worthy of further funding.

MR. G. FILMON: Mr. Chairman, the report of the Deputy Minister to the Minister, which we have received, has a number of statements which I would like to comment upon and question. One is under the section entitled "Complaints." A statement is made, "There was a considerable upsurge in the number of complaints handled by the Consumers' Bureau in 1982." Can the Minister indicate what he attributes that upsurge in complaints to?

HON. J. BUCKLASCHUK: That statement, "... a greater percentage increase than from the City of Winnipeg," I don't have the exact figures here, but that may be in response to a tighter economy. People are perhaps somewhat more cautious with their money. It may also be a reflection of some advertising that was done through newspapers and television. We didn't monitor the impact of that advertising, but this could very well be a reflection of that advertising. But, as I indicated before, the number of calls to the Consumers' Bureau had increased in excess of 30 percent over the previous year. There just may be more general awareness of the existence of the Consumers' Bureau in rural Manitoba as well.

MR. G. FILMON: I note, Mr. Chairman, that the telephone enquiries increased as well. Is that the enquiries directly to Consumers' Bureau or is that the Citizens' Enquiry Service, or is that covered under another section?

HON. J. BUCKLASCHUK: Yes, this statement is in reference to the Consumers' Bureau only.

MR. G. FILMON: Is the citizens' enquiry service still under way and what is their comparative experience in terms of calls being handled?

HON. J. BUCKLASCHUK: Yes, the Citizens Enquiry Bureau is the responsibility of Executive Council and I don't have that information.

MR. G. FILMON: Was that transferred out with the Information Services Branch then because it used to be under this department?

HON. J. BUCKLASCHUK: The answer is, yes.

MR. CHAIRMAN: 2.(b)—pass; 2.(c).
The Member for Tuxedo.

MR. G. FILMON: The other area of grant that we haven't touched upon is the grant to the Consumers' Association of Canada. Can the Minister indicate to me what activities they carry on, on behalf of the department and on behalf of Manitobans?

HON. J. BUCKLASCHUK: I am informed that the purpose of the grant to the Consumers' Association of Canada is for product information only.

MR. G. FILMON: I recall that the Consumers' Association used to carry out and provide on a regular basis, studies of milk prices for instance in supermarkets and things of that nature. There were perhaps special items that they were concerned with. Is that still ongoing?

HON. J. BUCKLASCHUK: I am not aware as to whether the CAC carries out that specific function any longer, but I should inform the member that we meet with the Consumers' Association on a number of occasions during the year. They bring to our attention a number of their concerns.

MR. G. FILMON: Mr. Chairman, one of the ongoing concerns of the Consumers' Association has been the unit-pricing codes on items in supermarkets. I see an expansion of the computerized cash registers in supermarkets throughout Winnipeg and I'm wondering whether that continues to be an area of discussion or consideration by the department and whether or not this Minister and this government have a position on that.

HON. J. BUCKLASCHUK: On that matter, I should inform you that the Consumers' Association has not made representation to me on this issue, although I'm aware that it has been an issue in the past. We are also aware that this type of merchandising has increased in a number of stores, but I can't recall, again, a single complaint on this issue in the past six months.

MR. G. FILMON: Well, I am aware of one because it was referred to you by the Member for River Heights from a constituent of mine as a matter of fact, but I'm prepared to accept the Minister's suggestion that there haven't been any considerable number of complaints to him on the matter. I'm surprised, however, that he hasn't had a complaint from his colleague, the Member for Wellington, who was absolutely determined that legislation should be enacted to prevent computerized cash-register checkouts at supermarkets when he was the critic for this department in opposition. Has the matter not been raised?

HON. J. BUCKLASCHUK: No, the Member for Wellington has not raised it. It may be that there may have been a letter, I just can't recall it, I am sorry.

MR. G. FILMON: That's okay. Is the Minister saying that he's satisfied that the UPC system is working

properly with the safeguards that had been instituted under our administration, of grouping similar products on shelving, larger pricing on the shelving and all sorts of matters to try and aid the consumer in making a choice and being able to compare the product prices, that the system is working properly and he's not concerned with the effects on consumers?

HON. J. BUCKLASCHUK: We are monitoring the situation. I can appreciate some of the problems that this type of merchandising brings about but as I indicated, we have not received any complaints. Should we, for some reason, be receiving any great number of complaints, then we will have to take a look at this type of merchandising.

MR. CHAIRMAN: The time being 4:30, I'm leaving the Chair until 8 p.m. this evening.

SUPPLY - AGRICULTURE

MR. CHAIRMAN, P. EYLER: We are here to discuss the Estimates of the Department of Agriculture. Does the Minister have some preliminary remarks to make?
The Minister of Agriculture.

HON. B. URUSKI: Thank you, Mr. Chairman. Mr. Chairman, fellow colleagues in the Assembly, it's a privilege for me to introduce to this House the Department of Agriculture's Spending Estimates for the year 1983-84.

The Department of Agriculture's total expenditures for the coming year will amount to \$53,923,400.00. The sum will cover Operating Expenses, Capital Assets, and the Income Insurance Fund.

Our Estimates this year reflect our ongoing commitment to Manitoba's agricultural sector and at the same time a re-evaluation of priorities and programs to keep pace with current conditions. The department has been reorganized to accommodate the concerns and thrusts of our government and to expedite delivery of services to rural Manitobans. The new organization is visible in the printed Estimates.

The Department of Agriculture has reduced 10 staff years. Of those, eight were vacant and two staff years had incumbents. One of those incumbents was from the Gunton Project and he has been redeployed into the position of assistant land representative in our Crown Lands Branch. The other individual is winding down the Vertebrate Program and we are attempting to place him into a suitable position.

In 1983, the Manitoba Department of Agriculture is addressing three major thrusts to ensure the present and future viability of agriculture in Manitoba. The first priority area is income stabilization for Manitoba's livestock producers. It must be remembered that their contribution to the provincial economy is a significant one.

In the past, livestock producers have suffered from instability in their industries and this resulted in uncertain incomes. Being at the mercy of the marketplace has also hampered them in their efforts to do realistic planning. In former years and presently, some members of other governments in this country and opposition members, have advocated a no-strings

attached handouts to beef producers. This would have served to keep the wolf from the door, but would do nothing to come to terms with the longstanding problems in the industry.

Our government's view is that it would have been shortsighted and an irresponsible use of taxpayers' money to simply hand over money to the beef cattle industry without attempting to deal with the situation that has created the problems. Consequently, we introduced a plan for Manitoba beef and I am pleased to inform members of this Assembly that approximately 4,835 contract holders are now registered in the plan. Mr. Chairman, participating producers own in excess of 250,000 beef cows in the province representing in excess of two-thirds of the beef cow herd of Manitoba.

The marketing aspect of the plan has just gotten under way and I'm confident that through an innovative approach to marketing, there will soon be a greater equity in the marketplace for beef producers.

Our government has a commitment to Manitoba hog producers. A producer committee has been working out details of the voluntary ongoing Hog Stabilization Program and, as members know, it was announced in this House just a short time previously, and the plan will take effect this spring.

Mr. Chairman, the administration of the hog plan would be similar in nature to that of the beef plan. In other words, the plan would feature premiums jointly funded by producers and the province. The Provincial Government will guarantee the fund and cover the administration costs. As a result of creating more equity in the marketplace for livestock producers and by stabilizing producers' incomes, we are building a new confidence in the livestock industry in our province.

Another priority of the Department of Agriculture is to re-evaluate the long-term lending programs of MACC, to better meet the needs of farmers in these difficult times. We are also looking at providing assistance to farmers who, due primarily to their financial situations, are initially able to farm only on a part-time basis. These farmers have traditionally been excluded from financial lending programs which benefit those who work in agriculture full time.

In addition, we are trying to develop a program which will assist in transferring the family farm from one generation to another. The idea is that farmers will be able to transfer land to a family member even if that family member cannot afford to buy the farm outright. In effect, the retiring farmer would be guaranteed the amount of money he requires as a monthly retirement income. That is basically the intent of the program. We have had a number of requests and we're certainly examining the feasibility and the possibility of instituting such a program. We've enlisted the help of both the university, lending institutions and the like, to look at the ramifications as well as people in terms of looking at the tax ramifications.

The Manitoba Interest Rate Relief Program will be continued. The latest figures indicate that over 700 applications have been approved under the program and a substantial number of people have also received financial management counselling. That financial management counselling area is a crucial aspect of the program.

To meet immediate and short term credit needs, the recently announced Loans Guarantee Program has

doubled the amount of guaranteed operating credit available to individual farmers. The ceiling has been raised from \$60,000 to \$125,000 per farm, effective immediately. MACC will be administering the program which will encourage lending institutions to make up to \$100 million worth of short term credit available between now and December 3, 1984. Mr. Speaker, it is estimated that up to 1,000 farmers will benefit from the program. The Loans Guarantee Program is aimed primarily at assisting the estimated 1,000 farmers who have had serious problems getting short term operating credit.

The third major departmental thrust is related to land and water management. In recognition of the importance of our agricultural land resource base, we will be stepping up efforts in the area of soil management, including wind erosion control, land drainage and conservation education.

Other aspects of the overall land and water policy are land use, soil survey, conservation districts and irrigation. An area of concern that we will be addressing is alternative practices in farming. We are taking an in-depth look at agricultural practices which make minimum use of chemicals. Our agricultural land base is vitally important to the future of Manitoba. I believe we must do everything in our power to make sure that we are taking the best possible care of our land.

Our government also is taking steps to ensure that there will be land in this province available for present farmers and future generations of Manitobans to buy at a reasonable price. Over the past several months, I've had an opportunity to speak to many farmers and farm organizations about the proposed Farmlands Ownership Act, and, therefore, aware that it is a controversial piece of legislation.

Most people who have any concern for the future of rural Manitoba admit that something must be done to curtail foreign ownership of Manitoba farmland. However, a simple fact is that speculation in farmland causes problems for rural Manitoba and it doesn't matter if the speculator or the speculating corporation is based in Zurich or in Toronto.

The essential point to remember is that we are restricting the rights of a very small portion of Canadians living outside of Manitoba in order to enhance the rights of Manitobans who genuinely wish to farm. I'm sure members of this Assembly will have ample opportunity to debate The Farmlands Ownership Act in the days ahead.

Overall, Mr. Chairman, I'm pleased with what we have achieved in preparing the department's 1983 Estimates. However, as is usually the case in difficult economic times, some very hard decisions have had to be made. It is impossible to cut expenditures as everyone would have us do without affecting some programs. There has been criticism of cutbacks in the 4-H Program. It's true that there will no longer be 100 percent funding for 4-H camps and conferences. As a result, individual regions will have to repriorize or do more fund raising to retain those aspects of programs at their current levels.

I might add that, in my opinion, that's not entirely a bad thing. Many schools and sports clubs throughout the province finance trips or camp programs in this manner. In general, although it has been necessary to reduce the amount of money available to the regions,

our Estimates have been reorganized so that each region has more autonomy and can work with local people to establish its own priorities. In other words, we have made it possible for the regions to get the maximum benefit from the amount of money available.

Mr. Chairman, it's been my privilege as Minister of Agriculture to introduce these Estimates for 1983-84. I look forward to the kind of knowledgeable comments and constructive criticism that has been the trademark of some of the oppositions throughout the history of Manitoba. I'm sure members opposite share my sincere support for Manitoba's agricultural community and would want to have a positive input into improving conditions for the farmers of this province.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, I am, I would say, totally shocked at the opening statement by the Minister of Agriculture dealing with Manitoba's No. 1 industry at a time when the economic conditions have never been worse in this province since the 1930s. Mr. Chairman, the comments in the country right today are somewhat like this: NDP times are tough times.

I'll tell you, Mr. Chairman, something else in my opening comments that I want to make, is to make sure that every person in rural Manitoba knows that this government's priorities are to cut out funding for 4-H. They would rather give the funding to the Marxist-Leninists to do a seminar and to subsidize and to come to the Province of Manitoba. Those, Mr. Chairman, are the priorities of the Minister of Agriculture when he sits around the Cabinet table.

Mr. Chairman, I, for the life of me, cannot figure out how a Minister of Agriculture, who truly represents the young family farm as he says, would cut out the 4-H funding and allow his Minister of Economic Development, who should be as well interested in development of young people, use that money for the Marxist-Leninists. Mr. Chairman, where was the Minister of Agriculture?

Mr. Chairman, this is the second set of Estimates that we have seen this particular Minister of Agriculture bring to this Assembly and make excuses for his inability to deal with the most severe economic times that this farm community has seen in the history of this province since the 1930s. What we are seeing happening in the Province of Manitoba tonight in my very constituency, Mr. Chairman, is the man who is on a hunger strike in Ontario, meeting with some of the constituents in the southwest corner of the province to talk about the inaction of government; to deal with the inaction of not only the Federal Government but, as well, the inaction of the Provincial Government.

If we remember correctly, Mr. Chairman, and I won't quote precisely from it, but if we remember what the election promise of the New Democratic Party was, and it's straight by the Premier's picture, was that no farmer, no person in Manitoba would lose their home due to high interest rates. That was a signed pledge and promise by the Premier of this province and here is the Minister of Agriculture now coming in, making excuses for his inability to deal with a situation he told us that we wouldn't have to deal with in this province.

Mr. Chairman, the Minister outlines three particular areas and I will try and deal not so much specifically with them but in a general way and I want to cover it as we deal with it. As well, Mr. Chairman, I am sure that everyone of my caucus colleagues feel the impact or the lack of action from this government as they have, in fact, experienced two years of this particular Minister of Agriculture in the New Democratic Party.

Mr. Chairman, never before have they had so many people calling them, pleading with them, trying to get them to either phone the banks or to do something to intervene in a forced bankruptcy or in a financial situation. Never have I, Mr. Chairman, had so many people call me saying that we are under extremely difficult conditions; we're being forced out of business; who've contacted either the Manitoba Agricultural Credit Corporation or the Federal Credit Corporation or our banks, and we are running into a totally blank wall.

We're coming out of a period of the highest interest rates in the recent economic times; something, Mr. Chairman, that he was part of a promise that said he would prevent them from being a part of. Mr. Chairman, Statistics Canada came out with figures this last year that said, Manitoba bankruptcies, farm bankruptcies, for the first nine-month period were up 380 percent. Manitoba led the way in Canada, Mr. Chairman, for bankruptcies. That is the record that the Minister of Agriculture - what is his constituency? St. George, that's right. He's not representing the Interlake, because I know a lot of good Interlake people, and he isn't their representative because he doesn't believe what he speaks about, Mr. Chairman.

I've had a lot of calls from the Interlake and he is not their representative. Mr. Chairman, that is the kind of a record that the New Democratic Party under Howard Pawley and the Minister of Agriculture, Bill Uruski, are going to have to face in the history books of this country, and I want to make sure, that they're solidly there and that the people of this country know that Manitoba led the way in bankruptcies under his administration, 380 percent increase. That was a promise that he gave producers of this province wouldn't happen.

One of his priorities, Mr. Chairman, and he talks about the Manitoba Agricultural Credit Corporation - well, thank goodness for the years of the Duff Roblin government and Sterling Lyon. The Member for Lac du Bonnet says, "Not a bad government," and I'm sure that the majority of people would agree with that. That government. Mr. Chairman, introduced the Manitoba Agricultural Credit Corporation. Yes, they introduced the Manitoba Agricultural Credit Corporation; a tool which was introduced to truly help the family farms and it did, Mr. Chairman, and was used during the term of office of the Schreyer years to nationalize or to turn the farms into a state farm program, redirected in our term of office so that it would again help the farm community through the purchasing of land, through debt consolidation; the same program that he is now making so much about having \$100 million put in, was a part of that program. It only had a different limit on the amount of it and there weren't many farmers using it, Mr. Chairman, because it really isn't going to help those people who are in dire straits or in extremely difficult conditions because from the Minister's own

press release, I will quote one line. He said, guarantees under this program, \$100 million, will be strictly limited to operating credit and will not be used to cover existing loans and arrears. How many farmers in Manitoba don't have existing loans and arrears, Mr. Chairman? I ask that question of the Minister and would hope that he would be able to give me the kinds of numbers that we're going to need during this Estimate process.

So what he is saying, Mr. Chairman, is that he has \$100 million in these Estimates that isn't going to get used. He says 1,000 people. I would challenge him, Mr. Chairman, to make 1,000 people eligible for that. He will have to work pretty hard to do it. Yesterday, I asked him a question; how many people have MACC turned down? He wouldn't give me the answer. We want to know how many people have been rejected on requests of credit either for their Interest Rate Relief Program, and that's another issue, Mr. Chairman.

Let's talk about the Interest Rate Relief Program that was so highly touted last year, so highly touted that it was going to help the thousands of farmers. I think, and I stand to be corrected and then we will have to look back at Hansard, that he projected there would be at least 1,000 or some 2,000 farmers . . .

A MEMBER: 700 in 2 years.

MR. J. DOWNEY: . . . oh, we'll get into the numbers later but I think, Mr. Chairman, that is such a small percentage. Those same people are probably in equally as bad a trouble today or even worse. So, as his administration progresses, the proof of his programs is going to come onto his desk and it's not going to be very successful, Mr. Chairman. It's not very successful.

Mr. Chairman, the Minister, of course is now going around touting very highly his recent Beef Income Assurance Program. In fact, that's one of his major thrusts, even though there had been under our administration a pretty good and well-received Hog Income Stabilization Program that was not so heavily funded on behalf of the producers, but a more equal sharing of the support of that program with the initial grant, with the loan guarantee.

Mr. Chairman, it wasn't patchwork the Minister refers to. It was a good, solid program and the Minister had to tinker around with it so that now he could take the responsibility off his back, put it onto the hog producers' backs, and it's they who are going to have to pay the price of the program and very little support from this Minister of Agriculture. Again, he's going to have to bear the brunt of the results of that program. I don't mind standing here bearing the brunt of the program that he axed because 80 percent of the hogs in this province were in that program; 70 percent of the producers were participants in that. That's not a bad number of people to have part of a Department of Agriculture program, Mr. Chairman.

I could go back and talk about emergency programs under the drought conditions or the flood. We didn't have many people that lost farms or businesses because we were here, my colleagues, the members of the Treasury Bench, and the caucus, supported good and meaningful programs and yes, Mr. Chairman, they were one-time pay outs. They weren't the hands of government giving it with one hand and taking their

freedom away with the other. They were sincere programs to help farmers in an extremely difficult time.

The same, and I'll talk about the beef income assurance approach that we felt probably would have worked at the time they were in extreme need, because you want to remember that we had just gone through a period of time when we cleaned up one of the worst messes in Beef Income Assurance Program that was hung on from the Minister of the last administration under the NDP Government; one of the worst programs that we have ever seen, Mr. Chairman, and that had to be cleaned up and we did. Except, finally the Minister couldn't deal with it, so he wrote off \$400,000.00. Well, he should pay back the money to those people probably, who in fact did live up to their commitments. He should reconsider what he has done because I think he is very vulnerable. He's put the government in a vulnerable place where legal action could actually be put against the Department of Agriculture for his actions, Mr. Chairman, in the way in which he handled the final days of that program. He could be putting the province in a very difficult legal position if farmers really wanted to take him to task in a court of law.

The Beef Income Assurance Program, Mr. Chairman, is of course the principle that you, in giving farmers support, you take away freedom of marketing, you take away funds from those producers so that you ask the government now to control a portion of their income through the premiums that they pay. This, Mr. Chairman, is a concept that this Minister of Agriculture has continually wanted to be a part of, is the beef industry.

The NDP believe they should control the beef industry, not the beef producers themselves and it's demonstrated. At a later time in the Estimates, we will get into it in detail to some of the regulations that have been put in place by this administration to, in fact, control the beef industry. You know, there are again some legal questions, Mr. Chairman, because as I understand The Natural Products Marketing Act, which he says gives him the authority to handle the regulated product, I understand that 60 percent of the producers have to vote in favour of a marketing scheme under The Natural Products Marketing Act. I think there's a legal question if it came right down to the nitty gritty of whether or not he can make this beef program or the producers live up to what he's expecting he wants them to do but there really is a legal problem with the program that he has introduced. I really do question it and he may have to bring in legislation to amend The Natural Products Marketing Act to back up what he has already got running out in the country.

That is a fairly important legal question, because I would hope that he knows where he's at with this particular thing because he has gotten himself a tiger by the tail, a bull by the horns; and I'll tell you, it will get him in the beefsteak if he's not careful; and I'll tell you, that's right where he's at.

The costs to producers today to participate in that particular program are unconscionable, Mr. Chairman. The costs to the producers today, as opposed to what we recommended of putting a \$50 per head payment on a one-time basis, wouldn't have added all the administration costs; we wouldn't have had to have a Beef Commission that charges 1 percent of every animal it sold through that commission, 1 percent, and I'll tell you what 1 percent amounts to. Yes, you know what

it amounts to, \$8 on an \$800 steer. The 1 percent is the cost of operating the commission. The Minister doesn't even know what 1 percent means. The fee is .5 percent when it was - the Minister, and I'll put it on the record, said that the marketing is .5 percent. Mr. Chairman, I will challenge the Minister to correct what he is now charging to the beef producers because, as I understand the program, and I will refer to a document which was put out by the Beef Commission - I'm sorry, Mr. Chairman, I owe an apology to the Minister - yes, the question is .5 percent - the answer is. The additional charge was an assembly fee of \$7.50, is where the other figure came from. That's where the additional cost was coming from, which in fact is about 1 percent on an \$800 animal and then the assembly fees plus the .5 percent, so I do apologize to the Minister because I, in fact, had misread the actual charge. I don't mind doing that because it does correct it in my mind and I have had some concerns about it.

Mr. Chairman, let us deal with the principle of controlled marketing as opposed to what we wanted to do. I believe that the figures that we had available to us would spend some \$12-\$14 million, would have handled the \$50 or \$40 per head pay out on a one-time basis, and then work out with the Federal Government a program that was more acceptable on a national basis, or at least stay out of the lives of the farm community, Mr. Chairman. That is the principle that we subscribe to, but this Minister is not prepared to do that.

I touched briefly on the Interest Rate Relief Program which is again demonstrated to be a failure in the farm community. The Minister has seen fit, at a time when he won't lower the Manitoba Agriculture Credit Corporation interest rates from 18 percent to a lower figure and help those individuals who are now trapped with those high interest rates, and at the same time he says he's continuing on with his Interest Rate Relief Program. I can't for the life of me figure out, on one hand, why he's got an Interest Rate Relief Program, and, on the other hand, he won't give those people who are already trapped by high interest rates the same kind of a break through the Credit Corporation. He's inconsistent, Mr. Chairman, and I don't believe that it will wash in the long term.

Mr. Chairman, the Minister, at the same time as he's got a Beef Support Program, has seen fit to increase the Crown land leases, the cost of the Crown land leases from 30 to 70 percent increase on some lands. There is a range of from 30 to 70 percent, Mr. Chairman. Those are figures that have been provided to me by — (Interjection) — Mr. Chairman, it's the Minister who has to answer and repudiate the allegations. If he can do it, fine, I will back off; but if he can't, then it stays on the record, Mr. Chairman. The Minister has in fact on one hand put funds into a Beef Stabilization Program and on the other hand says, we're going to soak it to you on the charges for the Crown lands that you're using to produce those livestock. Mr. Chairman, I can't for the life of me figure out what the Minister is trying to prove in doing that.

Mr. Chairman, last year, for the second consecutive year, we saw net incomes for farmers decrease - 8 percent decrease for 1981 and a 6 percent decrease for 1982. I believe it's a clear example of this administration's failure to deal with the basic problems

of high expenses which are partly incurred by the Government of Manitoba, and low returns which were promised not to happen during this government's administration.

Mr. Chairman, I will deal just briefly - but not because I'm dealing with it briefly because it isn't important - with the Estimate Book which has been tabled. It's very interesting to note in the Agriculture Estimates, as one goes through them in a general way, that we now have before us a Minister of Agriculture who stands up and espouses the importance of the family farm, how important the agriculture industry is, agriculture farmers. People are faced with a 6.1 percent decrease in their income on a net basis; and you look at the Estimate Book, Mr. Chairman, and what do you see?

You go through the different Salaries line-by-line. All the civil servants have an increase, a substantial increase, as he agreed to with his colleagues to increase them on the normal basis. He's part of that increase. Every other part of the - or almost every other department, Mr. Chairman, there has been a reduction. The actual provision of services by the agricultural representatives, by the commissions, or by anything that has to do with the actual resource base, to help the resource base, has been reduced. The only increases in the Minister of Agriculture's budget have been the wages of the people that work for him; when at the same time, Mr. Chairman, the farmers have been decreasing their net returns. How can he justify going to a farm meeting, sitting in the Minister of Agriculture's office, when the farmers of this province, the people that are carrying the weight of producing food for this nation, for over 50 percent of the jobs of the people of Manitoba, he is reducing the actual service that the Department of Agriculture is giving them and increasing the wages of those people that are working for him, Mr. Chairman.

A MEMBER: Do you want it both ways?

MR. J. DOWNEY: Do I want it both ways? No, Mr. Chairman, I don't want it both ways. I want the farm community looked after and, Mr. Chairman, that isn't happening. It's the Minister of Agriculture that wants it both ways. He says, listen to my leader. I gave him an example of where he could save money. He didn't have to give money to the Marxists-Leninists and take it away from the 4-H kids in this province, Mr. Chairman. If there isn't a better example than that, I don't know where it is. Tell me, Mr. Chairman. That's what I'm telling him. I'm saying he could have done a better job in wage negotiations and considered reducing salaries and kept at least the service equal to the farm community, but he didn't do that. He saw fit, Mr. Chairman, to sell the farmers down the drain is what he's doing. That's what this Minister of Agriculture is doing, and he can go it through it line-by-line, and it's the service, it's the backup that the farmers have depended upon for research, for all those things that they depend on government.

Mr. Chairman, he says, ah, ah, ah, I will admit that the research grant at the university is the same as when we increased it. He didn't increase it in his two years. We did, Mr. Chairman. So he doesn't need to ah, ah, ah at me because he expects everybody else to maintain

or take less than the people who work for government, Mr. Chairman. I can't figure a Minister of Agriculture sitting in that position doing that, Mr. Chairman. Where is his sense of fairness?

So I look forward to going through these line-by-line, Mr. Chairman, and having him explain how he can justify the cutting of expenditures to the farm community base and at the same time increase the wages to those people that work for farm people or on their behalf as a government service. It will be an interesting debate, because I think the Minister is in an impossible situation, and I would hope he's prepared to go to the farm community and stand up and tell them the truth, Mr. Chairman.

As I indicated, the main changes are actually a reduction in spending for the services. He's fudged around somewhat with the Capital Expenditures, but it would appear to me from how I'm reading these particular Estimates, that the actual reduction in last year's expenditures to this year's expenditures is somewhere in the neighbourhood - and I refer to the general Estimate Book on Page 1, the 1983 Departmental Programs - there was \$43,535,700, and this year the operating expenses were something like \$40 million. I guess that's the basis for some fairly major debate. — (Interjection) — Well, Mr. Chairman, I'm looking at a different line. I referred to Page 1, where it says Departmental Programs, 1983, is \$43 million, and I'll expect an explanation if I'm incorrect in my assumption of what has taken place. I do see in actual - and we'll go through it line-by-line if he wants if he can't figure it out - line-by-line shows a reduction in the actual service and I want to make that point very loud and clear.

As well, Mr. Chairman, the Minister refers to his three priorities and I would respond in this way, that the final one being land and water, which is a fairly basic motherhood kind of approach to the agricultural community; one which I would say is hard to disagree with. As a farm person and people here who are basically from the land, we see no difficulties with the government spending money to try and develop the base or to protect it.

I guess I have some major concerns, Mr. Chairman, and will be certainly wanting some detailed explanations from the Minister on his organic farming approach because I would think that on the long haul - Mr. Chairman, the Minister says, am I suggesting they shouldn't even look at it. Mr. Chairman, I think that many farmers have looked and have used it over the many, many years. Now, improvements in that, for example - and this goes into research more than it does organic farming directly - the development of bacteria, the nodules that produce bacteria on grass plants like the wheat and the corn-producing crops as they have for the legume crops, the clovers and the alfalfas, is certainly to be commended. I think that's a good direction to go. That could be some real development in that area and there is work being done and I think that's a responsible role to take; but as far as the actual spending a lot of money, man hours of people trying to demonstrate to farmers that either summerfallow works or a green manure crop works through the use of green clover crops, it's so elementary that I would hope the Minister doesn't use those kinds of examples as something new and innovative in the

farm community, because if he tries that kind of an explanation, it won't work.

There are some positive things that can be done, but as far as a major thrust, when a Minister stands up and makes a major statement, has to have a major thrust in that area, I would expect he'd have put some money with it. I don't see any money with it, Mr. Chairman. Not like, Mr. Chairman, when we said we were going to diversify and expand and develop the community of agriculture, we had a Federal-Provincial Agreement that went along with it. They're still using it. It must be an acceptable approach and that, Mr. Chairman, has meaning to it, when you put money where your program. I don't see from the first glance of how much money or where it is and certainly wind erosion as he talks about as No. 1 priority, I would think that if he would take a little trip throughout Manitoba and when he was down in the southwest corner, if he would have taken a tour right into the southwest region he'd have seen a pretty successful Shelter Belt Program that had been set up in the 1930s to stop the wind erosion in the lighter soils of the Lyleton area, that is what I call a successful program. And if he is going to provide a tree planting program or something that the Minister of Natural Resources tried to impose on the farmers of North Dakota, that if he stuck within his own jurisdiction they have more success.

I, again, Mr. Chairman, will close my comments on the Estimates of the Department of Agriculture that we will be wanting some clear numbers of newly-hired employees of the department, number of contract positions, number of term positions and, specifically, I want to ask him who has been hired by the Manitoba Beef Commission, when they were hired, and the kinds of wages they're making, all the people who are related to the Beef Commission.

I will, Mr. Chairman, conclude my comments at this particular time, once again emphasizing that this government, this Minister has failed. He's failed miserably to resolve the difficulties that the farm community are having in the financial area, in the area of prices; expenses are extremely high, and he's failed to deal with them. So, I go back and say that those people in rural Manitoba, in fact, all of Manitoba, when they make the statement, Mr. Chairman, that NDP times are tough times, that is going to stay with this government, with this Minister for the rest of his life.

Thank you.

MR. CHAIRMAN: Order please, order please.
The Member for Roblin-Russell.

MR. W. McKENZIE: Mr. Chairman, I have a few remarks that will be very brief on the Minister's opening statement, on some serious matters that have escalated in the last week in my constituency, which is farm bankruptcies. Mr. Chairman, it's a scary situation that's going on out in the country out there, and I regret very much that this government and this Minister I don't think knows what's happening.

MR. CHAIRMAN: Order please. I'm informed by the Clerk that it's customary that there be only one response to the Minister's introductory remarks; the opposition critic.

The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, I am not aware of any actual rules or policy set by this Assembly or by any committee that that was the case. However, if you could quote some rule or regulation that the House has set, I would appreciate hearing it.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: If it was a point of order or whatever, just maybe for clarification that under (b) Planning and Management, that pretty well covers the whole staff of the Minister and should allow us to discuss the planning and things that are taking place under that department.

MR. CHAIRMAN: The Minister of Highways.

HON. B. USKIW: If that's a point of order, I would like to then indicate to you, Sir, that the choice is to either debate the parameters of the department now or on the Minister's Salary, but if you do it in one place, you can't repeat the same argument in the next one. That's open to the members opposite.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, on that same point of order, the Member for Lac du Bonnet, the Minister of Highways, is not going to tell us what we can or we can't do. The committee makes its own rules, and by precedent, Mr. Chairman, if he wants to go back and see the precedent that was set when he was criticizing me and their opposition was criticizing me when I was the Minister of Agriculture, he may want to withdraw the comments he made.

If he wants to use examples of past committee hearings and, — (Interjection) — the Minister of Highways says we had different rules then - well, you can't have it both ways, Mr. Chairman, he can't have it both ways. Look back at those particular procedures, and, Mr. Chairman, I think he will back off what he had just said.

MR. CHAIRMAN: Order please, order please. Order please.

Is there any disagreement with allowing the Member for Roblin-Russell to respond?
The Minister of Agriculture.

HON. B. USKIW: Mr. Chairman, there is no problem of him making his speech when we move to Planning and Management, and we continue on, because the speeches will come on whatever item. So let's move into the line-by-line in terms of Planning and the whole department will be debated, notwithstanding.

MR. CHAIRMAN: Is that agreed?

Item 1.(b) General Administration, Planning and Management.
The Member for Roblin-Russell.

MR. W. McKENZIE: Well, Mr. Chairman, I have no quarrel either way. It's been done here both ways for

many years. The thing that we are supposed to watch is the fact that we don't use repetition in our remarks.

Mr. Chairman, I, in raising this matter at this time, I'm raising it because of the escalating number of young farmers that are contacting me that are facing financial disaster as we stand here in this committee this afternoon. Mr. Chairman, I was tempted yesterday to raise this matter and ask for an emergency debate in the House, or to raise it on a grievance as going into the Estimates. Of course, the caucus said that this is maybe the best way to deal with the matter.

Mr. Chairman, a farm report that crossed my desk tells me today that there are some 700 farmers in this province that face really serious financial problems because of a shortage of funds, or from monies that they owe. They are, in a lot of cases, farmers today that have foreclosure notices nailed on their farm doors. This committee and this Minister have got, hopefully, to come up with some answers to see if we can't as a government and as a committee see how we can help this young group who are the guts of our No. 1 one industry in this province, which is agriculture, Mr. Chairman.

The farm net income from '78 to '82 has fallen back considerably, and those figures are on the record. Mr. Chairman, it's startling as to some of the information that's being addressed to me by farmers. Here's a chap yesterday that contacted me. He's talked to Farm Credit Corporation, and they tell him they can't do anything for him. He's talked to MACC; they tell him he doesn't have a viable operation. This is what they're telling him. The man's got six quarters of darn good farmland; young, energetic — (Interjection) — I don't care. It's right now when the problem has started, and the problem is before us as we stand here this afternoon, Mr. Chairman.

I understand that this one farmer in particular has had those six quarters of farmland - good, fine farmland - listed at FCC appraised prices just before Christmas; never got one offer, not one offer to sell three-quarters of it, and try and pay off some of the debts that he owes. The bank has come and placed a foreclosure notice on his door and he has until April 30 to clean it up. Now, how is he going to clean it up, Mr. Chairman?

The Farm Interest Rate Relief Program that this Minister and this government has brought forth hasn't helped any of these three farmers that have been in touch with me in the last few days. The program that the Minister announced the other day, the MACC Program, doesn't help these farmers any because the guarantees will be strictly limited to operating capital and will not be used to cover existing loans and arrears. So, they don't qualify for help there. I don't know, Mr. Chairman, where we're going to or how were going to resolve the problem.

On the other hand, these free farmers remind me today of the pledge of this government and the First Minister, who said, that no Manitobans will lose their farms or homes due to high interest rates. Here we see it unveiling right before our eyes that these farmers are going to lose their homes because of high interest rates.

I am not standing here today quarreling with the arrangements that were made with financial institutions, or what's going on in Ontario, or the fact that this Woolridge - or what's the chap's name - that's coming

in speaking in Reston tonight; or the meeting that was held out in the Lac du Bonnet area this week by another group of disgruntled farmers. The problem is real and the problem is with us.

I am most disturbed that young energetic farmers like this in this day and age, Mr. Chairman, are right up against it. What do they do? I can't advise them because they've searched every avenue to try and solve the problem. Maybe that bill that was given second reading in Parliament in the House of Commons yesterday - which will at least provide a mediator to sit down and discuss the matter between the farmer and the lending institutions - at least that's something. It's a start for us to attack this problem or try and come up with some answers because these farmers are in real trouble ad statistic after statistic that keeps coming out, has been warning this Minister and this government of the problem and it's escalating. Last year on a CBC report that was presented to me the bankruptcies are up 380 percent. Well, maybe the figure is a startling one because the problem was just starting to escalate then.

But, then another report I get today tells me, there are 700 farmers out there today that face this problem. In a lot of cases I suspect they won't be allowed to put their crop in or the financial institutions are going to go and sell their assets and lease it back to them. I don't know what arrangements can be made, but I think, Mr. Chairman, that we in this committee should address ourselves to that problem, let's bring in the Federal Minister of Agriculture or call a conference, because the problems is as real in Saskatchewan and Alberta as it is here because the information that I have today tells me there are 2,000 farmers in Saskatchewan facing exactly the same problem - 700 in Alberta, 2,000 in Saskatchewan and 700 here. That's real.

Mr. Chairman, it is scary, and I regret the Minister in his opening statement didn't address himself or the Department of Agriculture to a problem that is of real concern to me as I stand here this afternoon. — (Interjection) — I sure was.

MR. A. DRIEDGER: I would also like to put a few comments on the record regarding the Estimates on a general scale before we go into the detailed items here. Listening to the Minister's opening remarks on his three major thrusts that he supposedly has initiated in the time that he's been in office, I have to express disappointment in this Minister, as I have done various times in my speeches and in my questions because I feel that this Minister has not really got a good grasp of what is going on in the rural area.

This Minister is a hard man to get hold of at the best of times. He sends some of his people out but he is a pretty hard man to come to terms with from time to time. The thing that bothers me most about this Minister is that he is so slow in responding to the needs. I wonder what would happen if this Minister was responsible when a flood would hit the Red River Valley. By the time this Minister would ever get off his butt and move on it, the flood would be over. This is the concern that I have. How long did it take him to bring in a Beef Program. Most of the guys had already made major commitments and had made their decisions based not on what they were going to get from this government, from this Minister, it took a long time.

Now, a big bunch of them signed up for the program and if this Minister would put a deadline on that program - say, if you want to get out, you have 30 days to do it, it would be flooded with everybody trying to get out. Once they saw the regulations, they got very concerned about it. The Minister in his opening remarks used the livestock industry and his Beef Program as one of his major thrusts. Well, if he goes out there and gets the reaction of the people, and this is what I would like to illustrate to him, he sits in his little office there or his big office and he doesn't really get in touch with the farm communities.

This government has said all the time that we are communicating with people, we are listening to them. Well, if you would go and listen right now, the major problem that has developed and is very apparent right now is the fact that many of our farmers right now are in deep economic trouble. That's why there are meetings being held right now throughout the province with this group that is promoting the - what is the name again, I had it here. Survival group. They had a meeting out in Vita last night and there was over 100 people attended. If it was non-issue, the economic conditions of farmers, then there wouldn't be over 100 people attending a meeting in Vita. There is one Reston today apparently.

The thing is, realizedly so, some people are in financial straits because of economic management, maybe not good management, over capitalizing, but are many people right now that are going to have difficulty getting their crop in. By the time this Minister is going to realize what the problem really is, the seeding time is going to be passed. I would suggest to him that you loosen up MCC and this is a suggestion, loosen up on MCC for immediate short term money so that the people, even though they have borrowed all kinds of money at the present time that they can utilize this money to put into this year's crop.

The thing is, it takes so long until it finally registers with this Minister that there is a problem out there. The problem developed and he should have foreseen it, as a Minister of the Government he should have foreseen what was happening when the high interest rates were hitting. That is where the problem was - when the high interest rates were there and demand loans, this is where many farmers started hurting. Now the catch up is there, they are in financial binds right now. The banks are sort of putting a hold on things and what is this Minister doing? He is talking all kinds of words, but there is no concrete action in terms of getting these fellows some money so they can put their crops in. If he thinks that isn't a problem, get out there and listen to them. Talk to any farmers. You have a small percentage of established farmers that have got maybe an account built up that can operate that way, but the average individual with any amount of capital investment of borrowing, debt load, is in deep trouble.

That developed already two years ago with the high interest rates. Now, at the tail end all of a sudden, he's going to try and catch the horse after it is gone. That's my problem with this Minister. He doesn't move fast enough. Last year he lauded his Interest Rate Relief Program. Well, the response, the limitations or the guidelines were so thin that only those guys that were on the verge of going bankrupt could qualify, the rest of them didn't get any relief out of it at all. Very few

people have been helped by that. It was lauded as a big thing. The Member for Roblin-Russell indicated the NDP Manifesto, no farmers shall lose his farm, nobody shall lose his home. What you did, you came up with a mirage. Fancy words, but very little concrete action. That is basically the problem that I have with this Minister, that he moves so slow, by the time they realize there is a problem, it is too late to do anything. Same thing, he believes he has saved the beef industry with his Beef Program. Balderdash! Because the guys were in trouble a year-and-a-half ago when he should have come up with the \$50.00. It took him a year to work this program out. Same thing with Interest Rate Relief Program, these kind of things. But, instead of really attacking the problem, instead of realizing what the problem is, he comes up with a bill that doesn't have any concern.

He is not concerned about the financial straits of farmers. He is concerned about a Farm Lands Protection Bill. That is the big issue to him right now, you know, the foreigners owning land. We have lots - (Interjection) - oh yes. In fact, Mr. Chairman, I did not want to get into that aspect of it because it's a bill that he's presented and we'll have time to debate that but if he refers me, and the Minister drew it to my attention about how the people in Vita feel, and I can give them letters indicating where they are 100 percent opposed to the Farm Lands Protection Bill. But we'll have time to go into all kinds of details where the Minister has concerned himself about figures and issues that are not really issues out there.

The issues right now are to keep the farmers on the farm. Our major industry, the major industry in Manitoba, when we look at the industries like our machine companies, the manufacturers, laying off people, there's very little activity. Our machine dealers are all suffering; they're scrambling like heck and guys are closing up. It's all because of what? It's because the farmers don't have money to buy. When the farm community is active, everything is active. It's all related to that.

This Minister is worried about the Farm Lands Protection Bill and the major issue is the effect on small towns, for example. I represent nothing but small communities. The biggest one is, I think, a little over a thousand people. I have about 40 of those. Everyone of the business people in there is suffering; they're going down the tubes. People are closing doors not with a big hullabaloo. When a major industry closes its doors there's a lot of noise about it. The people in the small towns close the doors and walk away from it.

Many farmers, when we talk about the percentage of farmers that have gone bankrupt, we hear only of those who have made big official announcements, where the banks have closed them up. But how many farmers are just selling out their assets as much as they can, recover what they can and walk away from it? If we take those figures it would be much more representative as to what is happening in the farm community. That is why I say to this Minister, move, move now, you have the source available through MACC. Work it out with your federal counterpart in terms of giving immediate relief to people so they can put their crops in.

We're almost at the end of March. The guys don't have money and that is a fact that many of them don't

have money. The banks are holding the line a little bit in spite of what they say, and I'm not a promoter of the banks at all. The banks want the equity set up. Most of the equity of these farmers that are in trouble is tied up to either MACC or through the banks. Anybody that borrows money will grab all the collateral they can; you can't spring it loose. What these people need is short-term money to be able to operate for this year.

What has happened - and this Minister has to accept some responsibility; this Minister has to accept the responsibility of a hydro rate freeze being lifted. That's an added cost. — (Interjection) — Oh, nothing major, he says. The energy costs, the fertilizer costs are all up, the increase in Crown lands. On the one hand he's sort of seemingly gives a little to the beef program and then he takes it all off with the other side again, and that is not what is needed. These people are in trouble and, if it will ever register with you, come with me on a tour, the two of us, let's go to southeast Manitoba and visit the farmers. Let them tell you, don't listen to me. Let them tell you what their problem is, if you would do that from time to time. There are certain people that live under the umbrella of supply management that aren't that bad off, but when we talk of the beef farmer - the Minister raises his head when we talk about supply management. We'll get into that during the Estimates yet, how it affects him and others.

The thing is if he talks to the beef farmers, if we talk to the grain people, the crop people at this stage of the game, they are really suffering. You know what I suspect? By the time this Minister is finally going to move on anything at all, it will be too late. There will be a lot of people that will have closed up, gone out of farming and then that ripple effect keeps on going in terms of the community, the small business, the manufacturing industries. I plead with this Minister, I hate to be always negative.

HON. B. URUSKI: You've just opened your eyes after four years of office? You think this problem started overnight? Don't be stupid.

MR. CHAIRMAN: Order please.

MR. A. DRIEDGER: Mr. Chairman, the stupidity comes from that side from the Minister, because he's always behind the 8-ball. He just indicated to me, don't be stupid. I know what the problems are, but I don't think he does. If he knows what the problems are, he's not acting on it as he has done with many other things.

The thing is why I feel critical - the other day the Member for Arthur mentioned this. This government will take and grant to the Marxists-Leninists group for their stupid conferences, as far as I'm concerned, and they cut off the 4-H people. When we look at the Estimates of spending and it was already covered and I don't want to repeat too much of it, most of the departments are cut down. The only increases are in the wages which are the increments that go on, actually cutbacks in the major industry in this province. Is that how you're going to help the agricultural community? Disastrous. Where were you during the Estimate debate with your colleagues? Did you fight for your part? — (Interjection) — We'll deal with the Minister of Transportation and his highways program later on as well.

The three main areas that involve rural people which is Natural Resources, the Transportation and Highways Department, and the Agriculture Department. Those are the ones that they cut back on, and that's slap in the face to the rural people at a time when they need all the help and support they can get in order to keep in business. As we go through this, we'll find out exactly what this Minister's position is, because from his opening remarks it was again wind and rabbit tracks, dealing with things that took him 1-1/2 years to implement and they're not successful at that.

Thank you very much, Mr. Chairman.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, as has been pointed out, the actual expenditures under the Planning and Management part, Other Expenditures is reduced from \$101,000 to \$85,000.00. Could the Minister either answer individually or provide a list of - he could give me this particularly - but the reductions in each of the departments, because it appears as if all Other Expenditures are down, and he could possibly save himself some time and the process some time by telling us what those reductions are. What has he cut in those areas?

HON. B. URUSKI: Right through?

MR. J. DOWNEY: Well, you can start right now by giving . . .

MR. CHAIRMAN: The Minister of Agriculture.

HON. B. URUSKI: Mr. Chairman, in terms of the bulk of the changes are a removal of the - in terms of this activity, we're talking about hospitality grants being reduced and funding for grasshopper control and seed fodder and health and education tax, totalling \$17,000.00.

MR. J. DOWNEY: Mr. Chairman, the Minister tells me it's education, hospitality grants. I understand it to be special and emergency program funding under the Planning and Management, is that not correct? He's not expecting any emergencies. I asked the Minister why wouldn't he have more funds in case of many things that can happen in the agricultural community? How does he plan on dealing with it is the question, if in fact there is a major grasshopper outbreak, or if there is a flood, or some particular thing that he feels he would have to put funds in, use those funds for. He's certainly leaving himself terribly bare, particularly understanding the nature of agriculture.

HON. B. URUSKI: Mr. Chairman, those funds would be raised through the Department of Finance on a need-be basis. There are no funds put in specifically for any major programs that might be anticipated because that, in fact, you're not certain as to what to put in because you don't know what the eventuality will be. However, that's the reason that there are no specific funds earmarked and they never have - I don't believe that there has been at any point in time any large blocks of money put into the Estimates for any unforeseen

emergencies. The bulk of the reduction, of course, is the reduction in hospitality grants of the \$17,000.00.

MR. CHAIRMAN: Item 1.(b)(1) Salaries—pass; 1.(b)(2) Other Expenditures—pass; 1.(b)(3) Milk Prices Review Commission. The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, the Milk Prices Review Commission was an organization established some two years ago. It may be a little more than that I guess now - it's probably three years ago - a major change in the pricing mechanism for the milk industry some three years ago. Apparently they are able to work with the amount of funds that they have. The Minister indicates that they've had their problems; I wonder if that's why he fired the old Milk Review Commission, those individuals who were quite capable, and replaced them with some of the people who would appear to have a different political slant, Mr. Chairman. It was a new Commission, there was no changing of people, it was a new Commission, new people were put in place and were completely wiped out by this Minister who put in a different group of people.

The Minister, when the Milk Pricing Commission was initially introduced, was very very critical of it. In fact, Mr. Chairman, all things were going to go to great disarray, milk prices were going to cause great problems and the whole dairy industry was going to collapse according to his judgment at that time. Well, I would have to say the contrary certainly has happened, that it would appear as if there is a reasonable working relationship between the milk producers of this province and the consumers. The mechanism is working effectively, and I would again ask the Minister why he would in fact fire a group of people who were quite capably handling it and totally replacing them with a whole group of new individuals, Mr. Chairman?

HON. B. URUSKI: Mr. Chairman, the honourable member should know that in changing any board with a change in administration, as members know, the board members are appointed in the hope that a new board reflects the thinking and the philosophy of a new government

I have to tell you that I've had good relations with members of the previous board. I have no ill will towards any person serving on any board put in by whatever administration it is. They are appointed at the prerogative of the Minister responsible and the Government of the Day and they serve in their best capacity, trying to reflect the views of the Government of the Day. So, Mr. Chairman, I accept that. I made no criticisms when boards were changed. — (Interjection) — The Honourable Member for Arthur says that's what bothers us. You see to him, if you are reflecting the views of being Conservative, everything is great; if you happen to be trying to reflect the views of an activist government, a New Democratic Party Government, there's something wrong with you. Mr. Chairman, I don't share that view at all.

MR. CHAIRMAN: The Member for Arthur on a point of order.

MR. J. DOWNEY: Mr. Chairman, the member is trying to put words in my mouth, saying that I'm saying that

because they're Conservative that they're all right and because there's some other philosophy they're not all right. The correct statement that I would put on the record is that if they're competent people, those are the kinds of people I would like to see on commissions and boards.

MR. CHAIRMAN: The Minister of Agriculture.

HON. B. URUSKI: Mr. Chairman, I'm pleased that the member has corrected that. I accept the fact that members, whoever appointed them to suit the needs of the then government in power, that they felt at the time that those members would be qualified and would be competent. I didn't question that at all. In fact, I would hope that, in terms of the debate that the honourable member has raised, they share the same kind of feeling towards new members that are appointed to boards. We believe, and I believe, that those people who we appoint will be competent and will serve as Manitobans to the best of their ability in terms of trying to reflect the views of the government.

I don't know, I really have difficulty with what the members are getting at. The Honourable Member for Arthur said that was not what he was getting at and yet it just seems that the undercurrent of the drift of his remarks are as such, that if you happen to be appointed by an NDP Government there's something wrong with you, but if you're appointed by a Conservative Government you're A-OK. Mr. Chairman, I don't accept that at all. I say that there will be problems from time to time with whatever and whomever any government might appoint. All the members are citizens of this province and of course will make mistakes and will make honest mistakes in the performance of their duties. I accept that because there is no doubt that we will likely have problems with board appointments in the carrying out of their duties, as I'm sure the honourable members had when they appointed people to carry out board duties. Not everyone serving on the boards carried out their capacity to the full likings of the Minister responsible. — (Interjection) — The Honourable Member for Morris says, "Just about." I'm glad that he said, "Just about," because I'm sure that as human beings there's no difference of whomever is in office.

So, Mr. Chairman, the new board - I should talk about the Milk Price Review Commission a bit because there are and there have been and continues to be some fairly major difficulties of milk in this province. What there has been, and I think the honourable members should know, that milk was being sold as a loss leader in the City of Winnipeg, Mr. Chairman, but let's understand what it was being used for.

It is no problem to sell milk as a loss leader if in fact that's all you're doing is you're putting a lot of milk on the market, Mr. Chairman, because you're over-supplied. But the fact of the matter is the thrust was to sell groceries. The fight was for the retail grocery market in the City of Winnipeg. Milk was used as the front to attempt to gain a greater control of the grocery market in the City of Winnipeg, Mr. Chairman.

Mr. Chairman, there have been consumer benefits in certain areas of the city, but not throughout the City of Winnipeg. There were many small stores that could

not, because of the under-the-counter discounting. Mr. Chairman, if there is to be a consumer benefit it should be spread out so that everyone has an opportunity for the benefit, but that's not what happened. Mr. Chairman, there have been difficulties and the board, and the previous board, attempted to deal with it with some success because they felt the same way as we did in government that what was going on — (Interjection) — Mr. Chairman, I dare not get pulled into that discussion again because it is just the complete red herring that the honourable member wants to get into in terms of the changing of board appointments and the like.

If the honourable member wants me to get into the changing of board appointments and the changing of members prior to the so-called expiration of their terms of office, Mr. Chairman, I can't get into that. I will not stoop to that. — (Interjection) —

Mr. Chairman, I won't get into that whole area that the honourable member would like to lead me. We have asked the board to do further work in terms of milk pricing; in terms of the whole area of the supplies of milk; in terms of the differentials that we're finding in even some rural areas in the province where milk prices in some areas closer to the distribution point, retail prices go up more than prices in areas outside the area of closer area from the point of distribution, begging the question as to why would milk prices in a community farther away from the point of distribution be substantially less than a community closer to the point of distribution. There are instances, and there have been instances in terms of milk pricing, as high as up to 8, 10 cents a litre, in terms of the pricing in some communities; differential pricing.

But those anomalies, I presume will be ongoing — (Interjection) — oh yes, Mr. Chairman, my colleague says that's market magic. However, Mr. Chairman, the member should understand and should remember what the original concept of the Milk Control Board was for. It was, in fact, to protect the retailers of this province.

MR. J. DOWNEY: Why didn't you fight to save it?

HON. B. URUSKI: Well, Mr. Chairman, he doesn't seem to want to remember what the history was in terms of the formation of the Milk Control Board. He doesn't seem to want to recall what happened with the formation of the Milk Control Board, because the prices were so great, it was forcing, Mr. Chairman, it actually was forcing retailers out of the marketplace along with producers with the price of milk at the time that it was established.

So, Mr. Chairman, the workings of the Commission, their activities are to update and deal with the cost of production formula. And they are, of course, as I've indicated, doing some work with respect to retail pricing — both urban and rural. Their mandate is to have, I would say, and deal extensively in terms of their involvement with all sectors of the fluid milk industry; the producers; the processors; the retailers and consumers. We have tried in the setting up of the board, to have those interests reflected in terms of people being appointed to the board. I think we've done a fair job.

We have producers; we have consumers, and we have some people with some background in economics

and knowledge of the dairy industry to be able to attempt to review whether there should be some further changes made in terms of the present legislation; in terms of the workings of the board. We are reviewing that aspect of it. Whether or not changes will be made, we will make those decisions further down the road, Mr. Chairman.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Chairman, I have some difficulty with some of the remarks made by the Minister of Agriculture.

First, he indicated that he was relatively happy with the previous Milk Price Review Commission Board; that they did a relatively good job. I can appreciate the fact that he feels maybe when governments change that the thinking should maybe go along those lines.

The concern that I have at this stage of the game, was that a lot of time was spent in setting up the formation of the Milk Price Review Commission in terms of changing the system from the Milk Control Board at one time because that system rankled heavily with the dairy farmers at that time. Every time they felt they were justified for getting an increase, they'd come hat-in-hand, have public hearings and were subjected to all kinds of, in my opinion, abuse. I attended many of those Milk Control Board meetings at that time, we requested, based on actual figures and facts, and then, the Milk Control Board would arbitrarily make a decision because there was objection to the price of milk going up — and we don't want to go into all this thing about the need of taking the milk from the mouths of little babes, etc. — anyway, I feel that the move to establish a Milk Price Review Commission was a very commendable one. I think the dairy industry was relatively happy with it.

The Minister indicated he was also happy with the people that were on the board. Why we were perturbed to some degree on this side is, if he felt they were not doing a bad job, why wouldn't he let them serve out their term, instead of ad hoc firing them. It is not basically a political group. Basically, they've set up a cost of production formula, by which the price of milk gets worked out; a very good formula, incidentally. It reflects all the input of the people in the industry and as a result, comes up with a recommendation what the price should be.

The Minister seems to take some exception to the fact, the thing that we indicated would happen, that possibly more milk would be sold at a cheaper rate to certain consumers; that they'd be using it as loss leaders in stores, which has happened. I don't think the Minister or anybody can indicate that the price of milk is higher now because since the Milk Price Review Commission got established, I think they've done a commendable job. It was the way he got rid of the board.

If he had any concern at all, he shouldn't have fired them. He could have waited until their term expired and replaced them. The qualifications of the people on there, well like he says, they're all Manitobans and we might feel that they're not qualified. I personally, would like to have thought we had very qualified people on there. I would like to see more producer representation on there, but that's the Minister's prerogative.

I'm very concerned when the Minister said, I changed them; I fired the previous board and sent in my own people because they should reflect the change in his thinking. That is the question I want to raise with this Minister. What direction is he proposing with the Milk Price Review Commission that these new people are going to reflect his thinking? I wonder whether he could answer? Is it his direction that the price should go down, up? When he talks of a change in direction of his thinking versus the previous Minister of Agriculture, could he maybe elaborate what he means exactly by that?

HON. B. URUSKI: Mr. Chairman, I think I've clearly outlined for the honourable members what the present activities of the board are and what I've asked them to do, in terms of reviewing how effective the legislation is and whether or not we should review the present way the legislation is operating.

As the honourable member knows, we had no difficulty with the changing of the legislation to set up the formula for producers to really speed up. Basically that is what it was designed to do, to speed up the process of making any cost of production changes where producers incomes were concerned. We had no difficulty with that, Mr. Chairman. I have to say that we did have reservations at the time, I am not ashamed to admit it, we had reservations at the time.

MR. J. DOWNEY: Unfounded.

HON. B. URUSKI: Well, Mr. Chairman, the Honourable Member for Arthur says, "Unfounded." There is no doubt that the problems that were foreseen at the time certainly could have come about. There still are problems. I think the member recognizes that in terms of trying to have some stability in terms of pricing. He knows that some of the small dairies, because of the price cutting that went on, are in difficulty as it relates to their operation.

I am sure that the honourable members, who at one time were so opposed to the dairy industry setting up a central co-operative processing plant in the province, would be concerned and should be concerned about the plight of the small dairies in the province. I don't hear that from them in terms of this issue. However, I have asked the board to look at the whole situation of pricing and to see whether or not the consumers in totality, while we've had some pockets in the City of Winnipeg in the major chains fighting for their retail grocery market, there have been some benefits in terms of reduced prices, Mr. Chairman, but we want to make sure and try to see whether or not some improvements can be made.

There may not be able to be any changes made or any improvements made, but certainly, Mr. Chairman, we should not be of the mind that once this is in, this is the best thing since apple pie and we should not do anymore. We should be constantly reviewing our position and making sure that not only the producers make sure that their incomes are protected and the formulas are accurate, but as well as the totality of consumers, that there is an adequate supply of milk throughout the province.

MR. A. DRIEDGER: Mr. Chairman, I have a few short questions based from the remarks that he made. Can

the Minister of Agriculture assure me that he will not be instructing, since this board is going to be reflecting his thinking, that they will not be tampering with the cost of production formula that is set up?

MR. CHAIRMAN (P. Eyler): The Minister of Agriculture.

HON. B. URUSKI: Mr. Chairman, the cost of production formula has to be updated as times goes on. In fact, Mr. Chairman, the honourable—(Interjection)—oh yes. Well, Mr. Chairman, the member should be aware that the Milk Producers Marketing Board has already asked the Milk Prices Review Commission to change the methodology and change the bases of the way the cost of production has been set up originally so that there is, and there has to be that ongoing dialogue to make sure that the positions put forward by the producers, by the marketing board are in fact being reviewed and looked upon to see the validity and the seriousness of what information is being requested and being suggested to them.

MR. A. DRIEDGER: A further question to the Minister then. The other remark that he made and it concerns me a little bit, is the Minister, through this board, going to be promoting a central marketing agency or did I misunderstand him incorrectly on that? The Minister made reference to the fact that this was one thing that had been looked at in the past, and if this is the thinking of the Minister that this group is now going to be looking in terms of the broad parameters about the possibility of setting up a central marketing agency or processing plant, whatever the case may be, I would like to have the Minister indicate on the record what his position is there?

HON. B. URUSKI: Mr. Chairman, the honourable member didn't hear me quite well. He should know that we now have a central marketing agency for milk in the province.

Mr. Chairman, we have the largest central marketing agency for milk. We have the Milk Producers Marketing Board, Mr. Chairman. I raised the point of the discussions regarding the previous plant. The member should know that there is some thinking of the producers of this province that they would have liked to have a central processing facility that was discussed, Mr. Chairman, over the objections.

I don't believe that even members of this party objected to the concept, but what I believe they objected to, and the Member for Lakeside maybe who is one of the most vociferous at the time, objected to where it was to be located — (Interjection) — Well, Mr. Chairman, ho, ho, ho, the Honourable Member for Emerson speaks of Santa Claus. There is no Santa Claus, Mr. Chairman. There is no doubt that in terms of facilities, had that type of facility been put into place in those years, Mr. Chairman, we could have had a very modern up-to-date milk processing industry in this province, unlike that there is anywhere in this country.

That is gone by the wayside and the producers have their Milk Marketing Board. Through the producers they will be dealing with the future of the milk industry and the direction that it goes; we will try and assist them in terms of technical advice and expertise as to what

facilities we see in the milk industry over the next number of years through our Dairy Branch. But, Mr. Chairman, that whole issue has gone by the wayside.

MR. A. DRIEDGER: One question then, the Minister, if I read his words correctly, is assuring me that the concept of a Crocus Foods Processing Plant will not be surfacing again through this board.

HON. B. URUSKI: Mr. Chairman, not through this board.

MR. CHAIRMAN: The Member for Morris.

MR. C. MANNESS: Thank you, Mr. Chairman. I am sure my colleague would want me to put the question on that final answer given by the Minister. Could he state that any board would not consider a processing - what do you want to call it? - board system?

MR. SPEAKER: The Minister of Agriculture.

HON. B. URUSKI: Mr. Chairman, there is the Dairy Board who considers processing expansion all the time. There is a licensing function through our Dairy Board, the very bill - The Dairy Act - that we are debating before the Legislature now. Any application for expansion modernization, changes in equipment, that request is put through to the Dairy Board. I can't give that kind of an undertaking, because I think, Mr. Chairman, every kind of a proposal from anyone, whether it be the producer group, whether it be a commercial processor in effect now, would have to be examined on its own merits.

MR. CHAIRMAN: The Member for Morris.

MR. C. MANNESS: Mr. Chairman, it seems to me that the Minister is maybe evading the question a little bit and I just hope, for our peace here, that he would make a definitive statement whether in fact over the next year or two he can see where the processing of industrial milk in fact will not be handled under a centralized board type of system.

HON. B. URUSKI: Mr. Chairman, the honourable member knows that the decisions made in terms of processing and the supply of milk are not made by the government. The supply of milk to whatever plant is made by the producer's group. The Milk Producers Marketing Board makes the decisions on supply. I can't answer that question.

MR. C. MANNESS: Mr. Chairman, I'd like to ask some specific questions dealing with the Milk Prices Review Commission. I'm wondering then, in a sense, a question sort of related to some in the past, whether the Minister at this time envisages any readoption of former Milk Control Board procedures by way of a change of the Act. Does he envisage any changes at all?

HON. B. URUSKI: Mr. Chairman, not in the immediate foreseeable future.

MR. C. MANNESS: I'm wondering if the Minister can indicate how many appeals were launched against the

Milk Prices Review Commission. Under the Act there are those that feel unjustly treated, whether it's producers or indeed consumers, have the right to launch an appeal at the level of the Natural Products Marketing Council.

HON. B. URUSKI: There has been one appeal and that came I believe from the Milk Marketing Board regarding the formula.

MR. C. MANNESS: Let me review then, Mr. Chairman. It seems then over the period of two years - I don't know how long that particular review commission has been in being, but it would seem to me then that's there's been one appeal over two years. I'm wondering if the Minister then would be prepared to say that particular board did a more than satisfactory job and whether - and this is a hypothetical question I realize - or not would there be more appeals launched over the next two or three years that in fact might be a result of a new review commission.

HON. B. URUSKI: Mr. Chairman, the honourable member should realize and understand the difference in the systems as versus the present board and the Milk Control Board structures. The honourable member, I'm sure, knows that under the previous legislation of the Milk Control Board any price change was subject to a public hearing, so that the hearing was advertised and people had a chance to voice their opinion. Mr. Chairman, that has been removed, so let's understand that the processes are entirely different, so that whether there is a concern about pricing or not, the mechanisms are completely different. Anyone wishing to raise the question of complaint in process now has to go to the task of doing his own homework per se and making their case to the new board.

Previously, Mr. Chairman, the member should recall that any price changes for anyone, whether it be the processors, whether it be the producers under the previous structure, it was mandatory that a public hearing be held. When a public hearing is held, automatically you will have interest groups saying, "Ah, here is my chance and here is my chance to say, here is my chance to argue the point," and as a result it was natural that there would have been a lot more consumers, a lot more people had a chance to voice their opinion.

This process doesn't allow for that, Mr. Chairman. I shouldn't say it doesn't allow for it but the mechanism is a lot different and, as the honourable member well knows, that if you don't hold a public hearing there may be some grumbling from certain quarters. But unless there is some formal structure set up that there will be periodic hearings, that doesn't happen as what has happened before. So it really doesn't reflect whether the board did a good job or no-good job on the basis of the number of hearings and complaints they receive, Mr. Chairman. That has nothing to do with the issue. It's the structure that was set up that either made it easier or less so in terms of the way one registers their concerns to a commission and that's the basic difference.

MR. C. MANNESS: Thank you, Mr. Chairman. I guess we'll have to agree to disagree; this probably isn't the

place to debate some of this. I'll just leave my final comments on the record to this point and that being of course that an appeal, anybody can launch an appeal, and as far as how well prepared they are, how well their case is documented, that doesn't prevent any individual who feels justifiably grieved at the price increase of milk as represented within their own corner grocery store from making representation to a higher authority. So I guess the final conclusion that I'm trying to reach, not being able to know what issues are going to rise or come forward within the next three or four years, it would seem to me that if the Natural Products Marketing Council had to sit in hearing, or a number of appeals, that in fact the new board maybe would not be doing as good a job as the old one.

But leaving that aside, I would ask the Minister to name the producers on the Milk Prices Review Commission.

HON. B. URUSKI: Oli Narfason is a producer. I'll give the honourable member all the members of the present board. Oli Narfasson is a producer from the Interlake in the Gimli area and Marie-Blanche Oliviero.

MR. C. MANNES: Have any of these particular producers had any experience whatsoever on the Milk Producers Marketing Board in the area of milk pricing because I submit, Mr. Chairman, that in fact unless you've been a director or actually a producer who understands well the system of pricing milk that maybe you can't make a contribution to this commission in the sense of making recommendation on producer's costs under the formula? I'm wondering if any of these people have had any experience whatsoever in the milk industry beyond their own farm.

MR. CHAIRMAN: Order please. Perhaps the Minister can answer that when we next meet. The hour is 4:30, time for Private Members' Hour, I will leave the Chair and return at 8 o'clock tonight.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Order please. The time being 4:30, Private Members' Hour. The first item on the agenda for Thursday is Second Readings of Public Bills.

The proposed bill of the Honourable Attorney-General, Bill No. 32 standing in the name of the Honourable Minister of Municipal Affairs. (Stand)

Second Reading of Public Bills, Bill No. 37, the Honourable Member for St. Norbert.

The Honourable Attorney-General.

HON. R. PENNER: I rise on a point of order for your consideration, Mr. Speaker, and you'll advise me whether this is the appropriate time. I'll just outline what the point of order is.

MR. SPEAKER: If it has to do with whether the bill is admissible or not, might it not be better to have the Honourable Member for St. Norbert move the matter first?

HON. R. PENNER: Yes, thank you.

MR. SPEAKER: The Honourable Member for St. Norbert.

SECOND READING - PUBLIC BILLS BILL NO. 37 - AN ACT TO AMEND THE CRIMINAL INJURIES COMPENSATION ACT

MR. G. MERCIER presented Bill No. 37, An Act to amend the Criminal Injuries Compensation Act (2), for Second Reading.

MOTION presented.

POINT OF ORDER

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Thank you, Mr. Speaker, let me say at the outset that I will readily admit that this is not a question which is free of doubt. I believe that the matter is out of order, but I would ask you to consider - you may wish, indeed, to reserve your ruling, I think that might be salutary because it does raise a question of some import.

The bill as I have read it in effect, and I'll explain that in a moment, calls for the expenditure of public funds or necessarily would lead to the expenditure of public funds. If I am right in that conclusion as to the import of the bill, then it would be my view that the bill can only be introduced by a Member of the Treasury Bench with a message from Her Honour the Lieutenant-Governor and cannot be introduced as a Private Members' Public Bill.

Now, that's what the gist of the argument is. — (Interjection) — She only gives a message if requested to by the Treasury Bench.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please. The Honourable Government House Leader.

HON. R. PENNER: Rule 53 (1) of our Rules states that "Any vote, resolution, address or Bill introduced in the House for the appropriation of any part of the public revenue, or of any tax or impost to any purpose whatsoever, or to impose any new or additional charge upon the public revenue or upon the people, or to release or compound any sum of money due to the Crown, or to grant any property of the Crown, or to authorize any loan or any charge upon the credit of Her Majesty," etc. ". . . shall be recommended to the House by a message from His Honour" - in this case Her Honour - "the Lieutenant-Governor before it is considered by the House." That is not the case with the bill that has been introduced. Indeed, there can be no doubt, as I see it, and it certainly is my submission that this bill as introduced by the Member for St. Norbert necessarily calls for the expenditure of public monies.

What it does, it introduces a new head of damages, to use the legal terminology. It would add, as a ground for compensation, pain and suffering of the victim. The statutory scheme now is similar to workers compensation that is purely compensatory; that is, it only pays compensation for loss of income. It does not

presently allow compensation for this particular head of damages, pain and suffering. Perhaps it should, that's another question. I don't want to be misunderstood in saying that this is in any way a bad principle, but I think that if something is to be introduced which is in essence to be a charge on the public purse then it has to be brought in the proper way and ought to be, in fact, brought in by the Treasury Bench, who is responsible for bringing the Estimates of Expenditures and the way of raising monies to meet those expenditures. That's why, I think, the bill as proposed is out of order.

MR. SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Mr. Speaker, let me first of all say, in speaking to that point of order, that I am astounded and surprised that the Attorney-General would raise a technicality on this bill.

Mr. Speaker, the Attorney-General is correct, the bill would, I would hope, cause the the expenditure of public funds to particularly victims of rape, who are not being compensated in the Province of Manitoba in the same way that they are being compensated, for example, in the Province of Ontario where similar criteria exists under their legislation. I think there is an urgent and a crying need for this type of compensation, Mr. Speaker, to victims of these outrageous crimes.

Mr. Speaker, in speaking to this point of order, you have and I hope that the Attorney-General has a copy of a letter from Mr. Tallin, Legislative Council dated March 14, 1983, requested, I believe, by the Clerk. In the third paragraph, Mr. Speaker, Mr. Tallin points out, as you may be aware other provinces and other Legislatures interpret those provisions, and interpret the provisions that the Attorney-General has referred to, of the Constitution Act 1867 somewhat differently, many of them very leniently. I believe that in New Brunswick only Supply Acts are accompanied by messages of the Lieutenant-Governor, Mr. Speaker.

So, I would submit, Mr. Speaker, that there is an opportunity here for the government and the House Leader to exercise some discretion and to act in the same lenient way that other Legislatures act in order to allow private members of this Legislature to speak out and bring forward amendments to legislation where there is such an obvious need. Mr. Speaker, I would hope that in view of the almost unanimous support for this type of legislation, this amendment that would be given by the Legislature, that the Attorney-General would withdraw his objection and allow debate on the bill to proceed. I would think, Mr. Speaker, it would be passed very quickly, unanimously.

HON. R. PENNER: To the same point of order. I'd like to just point out to the House that the Statutes, The Criminal Injuries Compensation Act was introduced several years ago in co-operation with the Federal Government. The Federal Government at that time said, "We will pay to those provinces who introduce the legislation 10 cents per capita, and that, at the time it was introduced, seemed not a large amount, but at least a start. So that the effect was to pay \$100,000, and in the first few years of the scheme the amount

of expenditure was not much more than that and it came to be about 50/50. The trouble, well not the trouble but one of the natural effects of a compensation scheme, is that it compensates people who are permanently injured for loss of income and, therefore, it builds up to the point where, in this current fiscal year, the Province of Manitoba will be paying close to a million dollars for this particular scheme, where the Federal Government will only be paying \$100,000; they have never increased by a penny the amount of the federal contribution. And this cost to the province will continue to snowball just on the basis of the scheme as is. I'd just like to point that out.

Secondly, the workers' compensation scheme upon which this is modeled, and indeed it is administered through the same setup, does not allow compensation for pain and suffering. I would like to know why, if we are to go in this direction - and we would want to consider - that's all I'm saying, why we wouldn't put the same head of damages into the workers' compensation. — (Interjection) — Let the government consider its priorities, in terms of the expenditure of money. There are tens of thousands of workers who are injured on the job and who cannot sue because of the workers' compensation scheme who otherwise would have been able to sue for pain and suffering, and their pain and suffering is just as real as anybody else's pain and suffering. — (Interjection) — Well, I don't want to debate the bill, except that your Member for St. Norbert trying to, I think, be a little exploitive said, this is for rape victims. If that heading "pain and suffering" goes in it's for everybody, it's not limited to rape victims. If he feels there should be some special compensation for victims of rape, let him bring in a private members' resolution that addresses that problem and we'll take a look at it. But there's a principle here with respect to the expenditure of money. We've got to find money for a whole number of things. — (Interjection) — Well, you're right, I don't want to debate the substance but the Member for St. Norbert began to do that and I thought I must reply.

It is the expenditure of money, that is a matter to be brought in with a message from Her Honour, the Lieutenant-Governor; it hasn't been, it's out of order.

MR. SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Mr. Speaker, replying to the Attorney-General's comments on the point of order, the bill would compensate rape victims; that was my primary purpose. If it compensates other victims of crime, Mr. Speaker, well and good because, I think, they have been neglected in the whole judicial system.

MR. SPEAKER: The Honourable Member for Springfield.

MR. A. ANSTETT: Yes, Mr. Speaker, I concur in the reservations that the Government House Leader has with regard to this bill, but I would like to point out one other thing to the House with regard to the letter from which the Member for St. Norbert quoted; and that is that our Rule 54(2) was amended in the middle '70s specifically because the interpretation of various

Legislatures across this country, on this point, varied. And that specific rule was amended at that time because of some questions in this House with regard to bills of this type and with regard to resolutions, and both 54(1) and 54(2) were redrawn at that time to make the intention of our rules very clear. So, regardless of what is happening in other jurisdictions, this House, through its Rules Committee, and by concurrence in that report, has ruled, well within the last 10 years, I believe about six years ago, on this matter and redefined the parameters under which money bills must be introduced.

SPEAKER'S RULING

MR. SPEAKER: I thank all honourable members for their advice on this matter and I say to the House that the principle of the bill, whether it is a good idea or not, is quite irrelevant. On this matter it comes down to a matter of House procedure and whether the bill is technically in order to be presented to the House or not.

As the Honourable Member for St. Norbert has mentioned, I did seek legal advice on this matter from people whose job it is to be able to advise on such things and it is made clear, in the letter that the Honourable Member for St. Norbert has, that as far as this House is concerned it has always been the practice, for many years back, to consider any bill which can be considered a money bill which either orders the government to spend money or authorizes it to do something, to spend money, is in fact a money bill and, therefore, needs a message from Her Honour.

I would, therefore, regret that I cannot present this bill to the House.

On the proposed resolutions. Assuming the House wishes to hold Resolution No. 1, Resolution No. 5.

The Honourable Member for Pembina.

The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Yes, Mr. Speaker, on a point of order. I understand that there was some question raised about the acceptability of the Amendment to Resolution No. 2, and I am wondering if you can advise the House whether or not you have made a ruling on that in order that the House may be prepared for appropriate debate when that resolution next comes before the House.

MR. SPEAKER: I've not yet had a chance to review the method in which previous Speakers have dealt with the same matter. I hope to have it ready for the day when this resolution next comes before the House.

The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker, I would like to move, seconded by the Member for Morris, that

WHEREAS farm production of food requires substantial use of oil and natural gas energy, and

WHEREAS Canada's National Energy Program has placed substantial federal taxation on oil products and natural gas, and

WHEREAS these additional costs to the Manitoba farmer through federal energy taxation ultimately are passed on to the consumer through higher food prices, and

WHEREAS this increasing federal taxation is contributing significantly to the cost price squeeze faced by all farmers and higher food prices for all consumers, and

WHEREAS the Government of Manitoba has exempted from taxation, fuels consumed for farm production of food,

THEREFORE BE IT RESOLVED that this Legislative Assembly urge the Government of Canada to remove the federal taxation from all oil products and natural gas consumed by the farm industry for the production of food.

MOTION presented.

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker. Mr. Speaker, as members obviously will recognize, that is the identical resolution that I introduced last year. There have been no changes.

Mr. Speaker, the reason I introduced this resolution in its identical form is that this year I would suspect fully that the urgency is greater than it was last year to provide the farm community with some taxation relief on their significant energy costs in operating the average farm in Manitoba.

Now, Speaker, the farm income position that is faced by all Manitoba farmers with to my knowledge, no exception, has deteriorated significantly from this time last year. This resolution was introduced last year at a time when the whole issue of energy taxation and its impact on the farm was being dealt with by a number of farm papers. The Grain News has undertaken substantial articles about the time I introduced this resolution. After it was amended by the government, a number of farm publications have pointed out the seriousness of the cost impact of Federal Government taxation on farm fuels.

I would suspect that although this resolution may have been before general public awareness was great, and particularly before awareness of some of the urban members on the government side were aware of the problem and the size of the problem, I trust that with their interest in rural Manitoba that they have undertaken to research some of the articles that were not offered by myself or my colleagues in speaking to this resolution last year but have been offered to them for their information in many of the farm publications that have come out in the last eight or nine months, all of which that have pointed out very similar concerns and in many cases have detailed to a greater degree the kind of taxation impact.

Armed with that knowledge, I have every confidence that members in the government will have a more complete appreciation of what I am trying to accomplish and what my colleagues are trying to accomplish with this resolution. They often don't want to listen to this side of the House but surely, Mr. Speaker, they can listen to the farm reporters, to the researchers in such farm publications as The Co-Operator, The Grain News, and other impartial people who have pointed out the problem that federal taxation on farm-consumed fuels have on the net income position of our farmers.

Now, the farm income position has deteriorated this year compared to last year. The main reason for that

of course is that commodity prices are lower. Now, I know that members opposite in the government will indicate that is the operation of the free market economy, and that free market economy happens to be the one that we agree with. I have no argument with that. Commodity prices are lower because of the free market system. We don't have any particular disagreement with that. It's a fact of life that the commodity prices are down. You see, the problem in the farm community today is that only a small percentage of the transactions of the purchases and the sales that farmers make today are subject to the true operation of the marketplace. The majority of transactions that farmers are forced to undertake are under significant controls. The real ones that operate according to the free market, of course, are commodity prices; they have gone down.

The other one that's rather notable that has gone down in the past year, of course, are interest rates. The interest rate expense in most farms today is lower probably than it was a year ago. That's kind of interesting with all of the bank bashing we hear from time to time and the financial system bashing. That is truly one cost that has gone down because of demand for money has lessened and interest rates are lower. I'll let other members deal with MACC in due course.

We have a number of input costs which cannot be reflected truly in the marketplace because they are fixed for a couple of reasons. The first reason and most obvious one is that a lot of the commodities purchased by the farm community are produced by major industries, which are tied to fixed contract wage structures, union wage settlements that are fixed. The labour prices in many of the farm commodities cannot decline because of those fixed contracts.

The second area of rigid pricing of farm inputs, in particular, stems from government taxation. For instance, in terms of the fixed costs in the wage structures of the major inputs, practically all the machinery, all the fertilizer, all the chemicals, all the fuels are produced in major industries which have a unionized labour force. When contracts are struck with that labour group, the price of the commodity cannot go down because the labour costs are fixed. That has a ripple effect throughout all of the input industries from the steel industry to the rubber industry, and all the inputs into farm machinery, for instance. Labour contracts by and large are fixed. The free market does not operate on those. Supply and demand of labour does not operate on those contracts, hence, the price of those inputs remains high.

In terms of government taxation, property taxes are fixed and are up front and are the first to be paid.

The payroll tax in the Province of Manitoba is fixed, is up front and must be paid. There's no free market operating there.

Sales tax, both federal and provincial, are fixed and are up front and must be paid at the time you purchase any input.

The most important one, and the one that this resolution will deal with of course is energy taxation, which is fixed, which is up front, and which is required to be paid by the farm community. Now the current tax structure on farm fuels from strictly the Federal Government amounts to 67 cents a gallon for purple gas and 60 cents a gallon for purple diesel. Now, the

tax over the last year on natural gas, the federal tax imposed on natural gas has gone down slightly, so there has been a moderating effect on the price of taxation involved in the production of ammonia in all our nitrogen fertilizers. It's gone down slightly because of the fixed formula on the percentage of oil pricing has been reached, so that the level of taxation in fact has gone down on natural gas. But still anhydrous ammonia is taxed at approximately \$20 per tonne which adds significantly to farming costs in Manitoba where a continuous cropping requires the use of nitrogen-type fertilizers.

Now, last year the gas and diesel taxes were 60 and 53 cents respectively, so they have gone up generally seven cents. This increase has not been as dramatic over the past year as had been projected because of all things, the operation of the free market system in the oil industry. As anyone who has observed the international oil pricing regime, it is coming apart slightly and oil prices have dropped internationally.

It is because of these falling international oil prices that in Canada we have achieved close to our 75 percent of world price that was written into the Alberta Federal Government Agreement. As a result, the fuel price increases have been moderated to some degree but, more importantly, two rather sizable taxes have been forced to have been dropped by the Federal Government because the imported oil price is lower, and there are two taxes which no longer even apply as far as farm fuel taxation goes. That is the incremental oil revenue taxes now eliminated because the Alberta-Canada Agreement has reached the approximate 75 percent level that was written into the agreement; hence the incremental oil revenue tax is no longer part of the pricing structure of farm fuels. That has removed 13 cents per gallon for both diesel and gasoline. So you can see how the workings of the free market system in the international pricing of oil has helped all Canadian consumers and particularly farm consumers by removing 13 cents a gallon.

The other tax that has dropped is of course the petroleum compensation charge. It is lower because, once again, international prices are down and we are approaching a 75-percent limit. That petroleum compensation charge is down by some several cents per gallon, once again to the benefit of the farm community. As a matter of fact, it is down 12 cents a gallon on both purple gas and purple fuel. But the only area that has not gone down significantly are the taxes that are attached to the price of farm consumed fuels which are not tied to the international oil price, in other words, the very fixed and rigid taxation scheme that is there by the National Energy Program. We are still paying 4 cents per gallon on purple gasoline and purple diesel to pay for the acquisition by Petro-Canada, Petrofina. That is a fixed charge that will be with us for a long while because once Petrofina is paid for, then we start to pay for the Dome Petroleum bailout. So you can see, Mr. Chairman, that despite the operation of the free market system, we still have federal taxations taking a larger and larger chunk of the net farm income.

Now, my costs per acre on my own farm are now approaching \$6.50 per acre this year. That is only figuring in the direct farm consumed purple gasoline, purple diesel, and natural gas which was used in the

manufacture of my applied nitrogen fertilizers. It does not include any figure for Federal Government taxation on oil and natural gas inputs into the manufacture of herbicides and pesticides. There is no calculation that I've added in there, because it is a very difficult one to come up with a definitive figure. There's no additional charge attached to transportation costs of truck and rail delivered goods to my farm because the fuels that the trucks and rail diesel locomotives burn are paying that federal tax, and I'm paying it indirectly in the costs of my goods. And of course it doesn't include any taxation on fuel that I burn on the farm for my personal transportation, the clear fuels.

I might point out that distances have not shortened any over in the last year since I spoke to this resolution last year. Farmers are still very much tied to using their cars and their trucks to get to and from the marketplace, to and from the services in town, to and from the hospitals where they're visiting ill relatives or friends or neighbours. They are very much tied to travelling greater distance than any urban dweller is required to go and there is no public transportation system to service that need in rural Manitoba. So we are very much tied on the farm and in the farm community to paying rather large levels of taxation just to carry on a normal lifestyle comparable to anyone living in the city.

Now, I am not asking in this resolution, as some honourable members in the government indicated last year, that I was asking for a subsidy to the farm community. Mr. Chairman, that is not the case; we are not asking for a subsidy to the farm community. What we are asking in this resolution is relief from taxation, from the burden of taxation and that, Mr. Chairman, is an eminently fair request.

I want to simply pose a couple of questions to some of the people in the government backbench and indeed in the government Treasury Bench. The average farm in Manitoba will pay anywhere from \$3,000 to \$10,000 directly to the Federal Government on energy taxation simply to plant, to grow, to harvest, and to transport to market their production on any given year; \$3,000 to \$10,000 per farm, per individual farmer. I simply ask my honourable friends in the backbench, how many of your constituents pay on that one tax alone anywhere close to \$3,000 or anywhere close to \$10,000.00? Do you realize that we are talking with that level of taxation per farm strictly for farm production? That is no consideration for personal use, strictly for farm production. That value is equivalent to, on average, the minimum wage of a worker living in the City of Winnipeg that that person has paid for a full year. On average it's \$7,500 and that is what the minimum wage in the City of Winnipeg would be for an individual working an entire year at minimum wage. That's what the average cost to the farmer is in Manitoba, simply to plant his crop and to feed Manitobans, Canadians and people in the world.

It's a sizable amount of taxation and I believe that members opposite if they give it serious consideration would agree that it is an onerous taxation on the farm community. The farm community must pay that tax up front or else they do not produce the food and the grains that go to the world market.

Now you know it's interesting to note that just this week, on Wednesday, we passed a resolution on the

Crow debate and this resolution shows surprising insight on the part of the government, because I will point out Clause No. 5 on the Crow Rate Resolution says: "Do not deal with unacceptable high taxation levels on farm inputs such as fuel." This is recognized by your Treasury Bench in the resolution that we just passed.

Mr. Speaker, I ask members opposite to give serious consideration to this resolution because it deals directly with a clause that we have already said is of concern to the farm community. I'm simply asking members opposite in the government to consider this as urgent to the farm community as the passage of the Crow Resolution.

Just two days ago, in Ottawa, the Premier of this Province was reported as saying he wanted lower fuel prices in Canada. This is what we are asking for in this resolution. I would think the Premier would have a great deal of difficulty voting against this resolution when he was requesting in Ottawa, two days ago, lower fuel prices. The Minister of Energy and Mines agrees with this Premier according to questioning that was placed to him yesterday.

So, Mr. Speaker, the energy taxation, I will reiterate to members opposite, amounts to a minimum of \$6.50 per acre on my farm. The average taxation paid per farmer will be between \$3,000 and \$10,000 per farm for an average-sized farm in Manitoba. That level of taxation, Mr. Speaker, is equivalent to the minimum wage that people living in Winnipeg would gain for the entire year of employment. It is a sizable amount of money, it can be the straw that breaks the camel's back in the farm community, and what we are talking about is only the tax paid to carry out farm operations to produce food. Now, this removal of taxation by the Federal Government would indeed be a very good stimulus to the farm community and I don't need to tell members opposite of how much that would mean to the Manitoba economy.

Spending power in the hands of the Manitoba farm community means jobs at Versatile, jobs at CCIL, jobs in the grain companies, jobs in the railroad industry, jobs in the fertilizer industry. It is terribly important to the farm community that they receive taxation relief, and the most important consideration that I would offer in the government backbench, particularly those urban members, is that taxation on farm fuels for the production of food will directly raise the price of food and it'll do it now, or it'll do it very shortly. When you put farmers out of business, because taxation on farm fuels is the straw that breaks the camel's back, you will eventually raise the price of food in this country. That is the price that each and everyone of your constituents are going to have to pay. So I impress upon you the importance of passing this resolution unanimously.

Mr. Speaker, in closing I simply urge members opposite to give serious consideration to this resolution. It is an important issue in the farm community, it's one that I would suspect each member of this House who represents a farm community has heard concerns expressed to him. They wish to have a unanimous voice in this House to send a message to Ottawa on farm fuel taxation, and I think it is a message that can leave this House as did the Crow Rate Resolution message, to tell Ottawa that farm fuel taxation may well be the straw to break the camel's back.

Let us not get partisan, let us support the Premier in his efforts to lower the price of fuel in Canada and let's pass this resolution, Mr. Speaker.

Thank you.

MR. SPEAKER: The Honourable Member for River East.

MR. P. EYLER: Thank you, Mr. Speaker, I appreciate the comments made by the Member for Pembina and I would like to tell him that I can certainly sympathize with the concerns he has expressed. I said it last year and I'll say it again, the farmer does relief from high energy prices.

Now, I have a few quibbles. For example, the Member for Pembina refers in his resolution consistently to farm production of food. I would suggest to him that perhaps this would be better phrased as agricultural production rather than production of food. I know that he has a large group of constituents who would like to grow flax for a flax-crushing mill and that would not qualify under this member's resolution for tax assistance on farm fuel.

However, the one thing that strikes me about the Member for Pembina's resolution is that he consistently refers to Federal taxation as if it were the only controllable factor in cost of fuel. Now, I'm sure he will agree that the price of oil is going up and down. — (Interjection) — The Member for Morris says mostly down in the States. I hope it's mostly down in Canada, I'll get to that later. The thing I would like to address is what determines the price of oil? I think what we've seen in the last ten years is the development of capitalism to its ultimate, in which a group of nations beat the capitalists at their own game. They formed their own cartel and jacked the price of oil up to the point - well, to what the market would bear, the price that the market would bear.

Now what this has to do with production of oil in Canada, I'm not sure. For example, whatever the price of gasoline is now, we know that it costs 5.3 cents a litre to produce it and the oil companies take another 7.5 cents in profit. So, I think that's a pretty good deal for the oil companies right now, in which they can produce something for 5.5 cents and make 150 percent markup on the cost of production.

Now the Member for Pembina says taxes are on top of that and that's true. There are taxes on top of these, Mr. Speaker. For example, the Edmonton Journal of March 12, 1983, notes that Alberta makes 7.5 cents on every litre of unleaded gasoline that it sells. That's more tax than we charge in this province and yet, the Premier, Peter Lougheed, asks and I quote, "Want to reduce the cost to consumers? Let's get the provincial taxes down, perhaps to the level of Alberta and Saskatchewan." Well, he's charging more than we are. Of course, the Federal Government takes a cut on that too. They take another 14.4 cents a litre.

Now, Mr. Speaker, there's three levels of taxation in the Federal taxation scheme. There's the wellhead tax, extraction stage; and second there's the refinery entry gate stage; and third, there's the refinery exit.

Dealing with refinery exit first, there is, of course, the excise tax of 1.5 cents a litre and the sales tax of 2.7 cents a litre. As was noted last year, farmers can

apply for a rebate of the excise tax of 1.5 cents a litre. It's the sales tax of 2.7 cents a litre, which is one thing they cannot recoup at the moment. I have no qualms at all about telling - urging - I can't say tell, the Member for Lakeside has always said that this Legislature cannot tell anyone what to do, or request the CBC, so we shouldn't tell the Federal Government what to do either, but we can urge the Federal Government to do as we do and not tax farmers on the sales tax for gasoline. I've calculated that in this particular fiscal year, the consumption of purple gas by Manitoba farmers is 197 million litres and consumption of purple diesel is 203 million litres. At 2.7 cents a litre, if this is rebated to farmers, that would save them approximately \$10.8 million in this year's expenditures on fuel. But I would admit that's not going to solve the problem; that there's a lot more that has to be done to lower the cost of fuel.

In this particular regard, the Member for Pembina has referred to the Premier's approach in Ottawa last week in calling for a reduction of oil prices in Canada and I would suggest that the answer is not simply to cut taxes, but it's to reduce the price of oil in such a way that producers as well as governments take a loss in income. In particular, we've seen OPEC in this week, in the last few days, the price of OPEC oil has dropped from \$34 a barrel to \$29 a barrel and today Egypt announced that it was selling it for \$27 a barrel. The problem is that these cuts aren't being passed along to Canadians.

Supposedly, we already have an oil agreement with Alberta that pegs the Canadian price of oil at 75 percent of the world level, of the world price, and that would be about \$25 a barrel at the moment based on the previous price of \$34 a barrel. Of course, it doesn't take long to figure out that prices are dropping pretty rapidly and there's been no movement in the Canadian price of oil.

What the Premier was asking in Ottawa this week was that the Federal Government and the Provincial Government acknowledge the agreement to tie Canadian oil prices to 75 percent of the world level. That means that there would have to be a drop in the Canadian price of approximately \$3 a barrel, if the 75 percent level is to be acknowledged. We are currently at 85 percent so there is a lot of room for reduction.

The Canadian Federation of Agriculture has estimated for the opposition that \$1 a barrel increase in the domestic price of oil will cost the average farmer \$350 a year. It only stands to reason if it goes up by that, it's going to go down by that. That means that if the price of oil in Canada drops \$3 a barrel this week in order to reflect the current world situation in the price of oil, Canadian farmers or Manitoba farmers would save \$1,000, the average farmer. Now the Member for Pembina says that farmers are paying 3,000 to 10,000 already. I don't know which one of those is the average. I suppose that's a range, but that \$1,000 which would be saved if the price of oil was brought down in accordance with our Premier's request would certainly go a long way in reducing the price of oil not only to farmers, but to all Manitobans. It's a measure that would stimulate not only consumption and purchasing by farmers but by all Manitobans. People could buy more food perhaps from the farmers. So what I'm suggesting is that this resolution, which is certainly fine in its sentiment, would have a little bit of a change in there.

Now on the first two stages of federal taxation, which is at the wellhead and at the refinery entrance, I have problems with asking to rebate those particular taxes to the farmers. For example, Mr. Speaker, how can you identify a product that far back which is going to the farmers? How do you rebate to a farmer his percentage of the taxes which have been paid at the wellhead? It's an administrative nightmare. If you take natural gas, which goes into an anhydrous ammonia producing facility, how do you know which of that ammonia is going to go for export or for gardens and which is going to go to the farmer?

MR. D. ORCHARD: Farm sales statistics.

MR. P. EYLER: It's a matter of administration which is not particularly simple. Furthermore, Mr. Speaker, when you start diddling around with these taxes like this and making exceptions here and taking out of this pot, taking out of that pot in the taxes, it's only going to make the Federal Government consider its whole structure of petroleum taxes and incentives.

For example, if you stop taxing the petroleum industry, you're going to have to stop giving it money as well. For example, we have the petroleum incentive program which currently give as cash grants, 35 percent of the exploration costs to a Canadian oil company which explores for oil in Manitoba; 30 percent cash grant of the cost of development of those oil wells in Manitoba. What's going to happen to people like New Scope or Omega Hydrocarbons if the PIP grants are dropped? They aren't going to like that. When you start diddling around with one side of the tax equation, you're going to have to have consideration for the other side which is the grants to the oil industry.

So, instead of opening up a poke, letting the pig out of the poke, or whatever, instead of opening up this can of worms and not knowing where you're going to go by asking for certain tax concessions in one area, I would suggest that we simply restrict ourselves to what is, I think, a possible short-term measure, which is asking the Federal Government to do what the province does and that is not charge farmers the sales tax of 2 cents a litre on farm fuel and also asking the Federal Government to honour its agreements with Alberta to hold the price of oil in Canada to 75 percent as is currently negotiated.

Therefore, Mr. Speaker, I would move, seconded by the Member for Dauphin, that Resolution No. 5 be amended such that:

1. In the second WHEREAS, all words following "energy program" be deleted and the words, "has substantially raised the cost of oil and gas energy through increased private sector profit and federal taxation." substituted;

2. In the third WHEREAS, the words "through federal energy taxation" be deleted;

3. In the fourth WHEREAS, the words "federal taxation" be deleted and the word "cost" substituted;

4. In the resolved clause, the words "federal taxation" be deleted and the words "the federal sales tax" be substituted, and that the words "all oil products and natural gas" be deleted and the words "farm fuels" substituted, and that the words "the production of food" be deleted and the words "agricultural production" substituted.

5. Further clauses be added to read:

BE IT FURTHER RESOLVED that this Legislative Assembly urge the Government of Canada to allow the price of oil and gas to drop to follow the present agreement of 75 percent of the world price; and

BE IT FURTHER RESOLVED that the Clerk of the Legislative Assembly forward copies of this resolution to the Prime Minister of Canada and the federal Ministers of Finance and Energy.

MR. SPEAKER: It is moved by the Honourable Member for River East, and seconded by the Honourable Member for Dauphin, the Amendment as read. Do you wish it read again?

POINT OF ORDER

MR. SPEAKER: The Honourable Member for Pembina on a point of order.

MR. D. ORCHARD: On a point of order to the Amendment, Mr. Speaker. I believe that the total intent of the resolution has been taken away with the dilution of federal taxation. The replacement of federal taxation, which are several levels of taxation that are imposed by the Federal Government, including the Canadian ownership charge, which pays for Petro-Canada, have been deleted from the resolution and as such it takes away the maximum benefit that the farm community can derive by the passage of this resolution in this House. It very much waters it down to provide very minimal relief compared to what would have been there had the resolution been passed as written, because federal taxation, of which the amendment substitutes only federal sales tax, is but a small portion of the federal taxation policy. I would suggest, Mr. Speaker, that by the deletion of all reference to federal taxation in its entirety takes away the total thrust of the resolution and therefore is not in order.

MR. SPEAKER: Anybody else wish to speak to the same point of order? The Honourable Minister of Government Services.

HON. J. PLOHMAN: Yes, Mr. Speaker, the intent of the resolution is to lower the effect of the price of fuel, and that is exactly what the amendment does, as well as the original resolution, in my mind, and that's why I've seconded this resolution. It is consistent with the objective, and that is, to lower the effect of the price of fuel.

MR. SPEAKER: The Honourable Member for River East to the same point.

MR. P. EYLER: Yes, I believe, if you will refer back to last year, you will find that this resolution, in fact, is closer to the original resolution than the one that was ruled in order last year.

MR. SPEAKER: The Honourable Member for Pembina to the same point.

MR. D. ORCHARD: Yes, Mr. Speaker, I suggest that the argument that the Member for Dauphin made is

rather facetious and not true to the intent of the resolution. The intent of the resolution is to remove federal taxation, all levels of federal taxation. It has been amended only to remove federal sales tax which, as I reiterate, Mr. Speaker, is but a small portion of federal taxation. The intent of this resolution was to urge upon the Federal Government to remove federal sales tax, cost of ownership charge, the Petro-Canada charge and a number of other taxation levels that are on farm fuels imposed by the Federal Government through the National Energy Program and through their agreement. And, Mr. Speaker, this amendment takes away the total thrust of dealing with the issue of federal taxation on farm fuels and that impact on the farm community and, therefore, should not be ruled in order.

MR. SPEAKER: The Honourable Member for Springfield to the same point.

MR. A. ANSTETT: Yes. The first point, Mr. Speaker, is a suggestion to honourable members that debates on the admissibility of an amendment should be restricted to the admissibility of the amendment and not to the merits thereof. — (Interjection) — I wasn't suggesting to the Speaker, for the benefit of the Member for Morris, but rather to his colleague, the Member for Pembina.

Mr. Speaker, I draw the House's attention to Citation 425 which suggests that, "The object of an amendment may be either to modify a question, in such a way as to increase its acceptability, or to present to the House a different proposition" - a different proposition - "as an alternative to the original, which must, however, be relevant to the subject in question." Well, there's no question at all that the amendment proposed meets that criteria.

In terms of the objection of the Honourable Member for Pembina, I draw his attention to Citation 431 which allows amendments much more radical in terms of their effect on the original motion than is proposed by this amendment. Citation 431 suggests, "An amendment to alter the main question, by substituting a proposition with the opposite conclusion, is not an expanded negative and may be moved."

Mr. Speaker, clearly when amendments with that wide a scope and parameter to actually reverse the conclusion in the Resolve portion of the resolution can be allowed, certainly this amendment falls well within our bounds of order.

MR. SPEAKER: The Honourable Member for Pembina to the same point.

MR. D. ORCHARD: Yes, Mr. Speaker. A further reason why this amendment should not be ruled in order is the fact that it has deleted a very important farm fuel commodity; namely, natural gas. It has been deleted from any reference in this resolution, and it is extremely important and relevant to the impact of my resolution that natural gas taxation be dealt with at the same time. Deletion of that, once again, completely negates and destroys the purpose of the resolution.

SPEAKER'S RULING

MR. SPEAKER: Order please. I recall that considerable latitude has been exercised in this House having to do with amendments to Private Members' Resolutions in the past and since the amendment does not completely negative the resolution, I would believe that the amendment is in order and has been put to the House.

Are you ready for the question?

The Honourable Member for Morris.

MR. C. MANNES: Mr. Speaker, inasmuch as the members opposite have been successful in using all my time, what was remaining of it today, I would beg that the resolution be allowed to stand in my name and call it 5:30.

MR. SPEAKER: Is it the will of the House to move the adjournment of the House?

The Honourable Member for Springfield.

MR. A. ANSTETT: Mr. Speaker, I move, seconded by the Member for Thompson, that the House do now adjourn.

MR. SPEAKER: On the understanding that the members will return to Committee this evening, it is moved by the Honourable Member for Springfield, and seconded by the Honourable Member for Thompson that the House do now adjourn. Is that agreed? (Agreed)

The House is accordingly adjourned and will stand adjourned until 10:00 a.m. tomorrow (Friday).