



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

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**DEBATES  
and  
PROCEEDINGS**

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31-32 Elizabeth II

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**MANITOBA LEGISLATIVE ASSEMBLY****Thirty-Second Legislature****Members, Constituencies and Political Affiliation**

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

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 21 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 . . .

## MINISTERIAL STATEMENTS AND TABLING OF REPORTS

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

**HON. W. PARASIUK:** Mr. Speaker, I beg leave to table the Annual Report of the Manitoba Forestry Resources Limited for the year ended September 30, 1982.

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**HON. M. SMITH:** Mr. Speaker, I beg leave to table the 1981-82 Annual Report of the Department of Economic Development and Tourism.

**MR. SPEAKER:** Notices of Motion . . . Introduction of Bills . . .

## INTRODUCTION OF GUESTS

**MR. SPEAKER:** Before we reach Oral Question Period may I direct the attention of honourable members to the gallery where there are 57 students of Grade 9 standing from the Charleswood Junior High School under the direction of Mr. Lerner and Mr. Small. The school is in the constituency of the Honourable Leader of the Opposition.

There are 15 visitors from the Practical Politics Group from Swan River under the direction of Mr. Hodgson. The group is in the constituency of the Honourable Member for Swan River.

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

## ORAL QUESTIONS

### Report by Governor Bouey re high deficits

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

**HON. S. LYON:** Mr. Speaker, I have a question for the First Minister. Since the House last met, we understand that the Governor of the Bank of Canada has made his Annual Report to the Government of Canada, wherein - I'm using words that others have used - he has warned in his Annual Report that during the 1970's big budget deficits to stimulate the economy led to vicious cycles of higher inflation followed by greater unemployment and would do the same in 1983 if that

policy of excessive deficits were to be followed by the Federal and, one presumes, Provincial Governments. Can the First Minister advise the House and the people of Manitoba, Mr. Speaker, how the recent unfortunate Budget that was brought down by his Minister of Finance calling for an increase in expenditure of 17.2 percent, one of the highest increases in Canada, fits into the advice that is being offered to the Government of Canada by the Governor of the Bank of Canada?

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

**HON. H. PAWLEY:** The Leader of the Opposition may agree with Governor Bouey; I, as Premier, do not.

**HON. S. LYON:** Mr. Speaker, can the First Minister give us some indication from something other than perhaps a Marxist symposium, which apparently a number of his Ministers attended or supported, from any kind of substantial economic thought which would indicate that Governor Bouey is wrong in the warning that he is giving to the Government of Canada?

**HON. H. PAWLEY:** Mr. Speaker, I think there is plenty of example to indicate that the kind of policies that are being urged by Governor Bouey upon Canada and, indeed, on each and every one of the Provincial Governments in Canada, have assisted in driving us to the position that we are in today: first, by way of recession and rising levels of unemployment; and second, if we want to talk about deficits it is those policies driving us to recession that have resulted in the largest per capita deficit in Alberta, a deficit in excess of \$1 billion in British Columbia, a deficit that is the largest in some 40 years in the Province of Saskatchewan, deficits that are beyond anything that had ever before been anticipated in provinces such as Ontario and Quebec; it is the policies exemplified by Governor Bouey that's driving this country, unfortunately, to the position it is today.

**HON. S. LYON:** Mr. Speaker, given the understanding by rational thinkers in this field - and I realize that there aren't too many on the left where my honourable friend, the First Minister, finds himself - given the understanding that Alberta, Saskatchewan and British Columbia are three of the richest provinces in Canada and can afford, temporarily, to have large deficits, whereas, Mr. Speaker, Manitoba now is one of the most debt-ridden provinces in the country thanks to the mismanagement of the last fourteen months, is the First Minister trying to indicate and trying to justify to the people of Manitoba that a budget deficit of \$579 million, going up to \$700 million this year, is the right tonic for the economy of Manitoba at this time?

**HON. H. PAWLEY:** In view of the experience that Canadians have been inflicted with for the past number of years under Bouey-like monetary policy, Mr. Speaker, it is not difficult to justify a change in direction that ought to be taking place.

**HON. S. LYON:** Mr. Speaker, can the First Minister indicate whether the rather aberrational, although understandably, funny view of finance that he holds, particularly on the fiscal side because socialists traditionally don't know much about the monetary side, can he indicate to the House and to the people of Manitoba if any other Premier, or indeed even the Prime Minister of Canada, shares the rather uninstructed view that he has just given to the House?

**HON. H. PAWLEY:** All that I can speak for, Mr. Speaker, is the approach of the Manitoba Government. The approach of the Manitoba Government is that indeed there must be a co-operative federal-provincial initiative from one end of this country to the other in order to attack unemployment. Mr. Speaker, do any other premiers concur? Mr. Speaker, I sense that a number of other premiers that are Conservative by way of stripe do not share the same ideological right-wing thinking as my honourable friend across the way. Certainly, that is not the impression I received, for example, from Premier Peckford; it's not the impression I received from Premier Davis; it certainly is not the impression I received from Premier Lougheed, who indeed has been very vociferous in his criticism of high interest rate policy and is concerned that Canada follow a more independent policy in regard to interest rates.

**HON. S. LYON:** Mr. Speaker, given the fact that fortunately a high interest rate policy is not part of the problem that is affecting Canada today because even though the First Minister would like to deal in the past, interest rates in this country have been declining following tracking the American interest rate reduction for some considerable number of months. The problem now is not interest rates, even inflation has been going down.

What Mr. Bouey is saying, Mr. Speaker, and this is what I would like the First Minister to comment upon, if he can logically and reasonably, that excessive deficit spending now is liable to cause a reintroduction and a re-inflation in the economy which can inflict even more harm on the unemployed, more harm on those on fixed income. Does the First Minister not realize, or does he not feel that there is some merit in that point of view?

**HON. H. PAWLEY:** Canada's manufacturing capacity is in the neighborhood of some 60 percent of total capacity in Canada today. There is in the neighborhood of some two million Canadians that are unemployed including 54,000 Manitobans. Mr. Speaker, that is what the political leadership of this country should be concerning themselves about.

Governor Bouey is not the elected representative. If he was the elected representative, Mr. Speaker, I don't think the Canadian public would tolerate the kind of views that he's been espousing for one moment.

### **Constitutional Conference on Aboriginal Matters**

**HON. S. LYON:** Well, Mr. Speaker, given the statement of the First Minister a few moments ago that he was looking forward to working co-operatively with the other Premiers of Canada and with the First Minister, and

with anybody else to whom he can practise his attentive art of listening, would the First Minister indicate, Mr. Speaker, how that particular policy of co-operativeness is going to be enhanced, or how the interests of the people of Manitoba are going to be improved, by the First Minister giving standard broadcast news interviews in which he criticizes the other nine Premiers of Canada for not, as he said, "doing their homework on the constitutional matter."

Could the First Minister cease slapping his own back long enough to tell the people of Manitoba how he thinks that is going to enhance his bargaining position with the Prime Minister or the other nine Premiers who he is criticizing?

**HON. H. PAWLEY:** Mr. Speaker, I don't know whether we're moving from Governor Bouey to the Native Constitutional Conference. If that is the intent of the Leader of the Opposition, I'm prepared to certainly accommodate him.

I want to mention, by way of response, that it's not just - what did the Honourable Leader of the Opposition refer to us a few moments ago as? - those that engage in their thinking from Marxist symposiums that come through with what the Leader of the Opposition referred to as "funny-money" ideas.

In Toronto last Monday, on my opportunity to travel through to Ottawa, I noted in the Toronto Star, its lead editorial said, "Ontario ought to follow the Manitoba lead." It pointed out, Mr. Speaker, that if Ontario should commit itself, proportionate to its population, to a Jobs Fund as Manitoba has, that there would be some \$1.6 billion to a Jobs Fund. Mr. Speaker, if each Provincial Government would do that throughout this country, and if those funds were matched by federal dollars, Mr. Speaker, there would be a \$10 billion Jobs Fund to attack unemployment during times of peace, just as we'd be able to mobilize men and women in this country in order to wage war.

**HON. S. LYON:** Mr. Speaker, I'm sure that the people of Manitoba will rest quietly knowing that the Premier of Manitoba places great faith in the Toronto Star, which was the paper which supported Ed Broadbent for Prime Minister, and I, amongst others, was heard to say at the time, Sir, that the owners of Toronto Star supporting Ed Broadbent was something like a turkey asking for an early Christmas.

Mr. Speaker, given the track record of the Toronto Star and putting that to one side, can the First Minister tell us what was his motivation for the kinds of reports that are being widely carried, to the effect that he was criticizing the other nine Premiers of Canada for allegedly not doing their homework - as he so kindly put it - with respect to the Indian constitutional questions; whereas, of course, Manitoba, which is out of step with everybody most of the time, was by implication 100 percent right.

**HON. H. PAWLEY:** Mr. Speaker, we are then moving to the other subject matter. I certainly did not criticize nine other Premiers; I criticized the fact that some Premiers had not involved themselves in the kind of dialogue that we had in the Province of Manitoba, that in the Province of Manitoba for the past year we've

conducted a very active dialogue with Metis and with Indian groups in the province, that we included Indian and Metis groups within our provincial delegation. Indeed, I believe that the only exception to that was the Province of Quebec. Quebec also had Native representation.

Mr. Speaker, it is my view that some provinces just had no dialogue at all; some had as much dialogue as we had in Manitoba. If we are to ensure that next year's Constitutional Conference is a success, yes, it is my view, Mr. Speaker, that other provinces might want to look to the kind of model, the kind of example, that was established by Manitoba.

**HON. S. LYON:** Mr. Speaker, given the fact that no one in this House has criticized the First Minister or his colleagues for including, as part of their delegation, some of the aboriginal people and so on; and given the fact that Manitoba, even before this government came along, did have negotiations with the aboriginal people about constitutional matters, which is not a new thing, does the First Minister really think it is helpful in his much touted co-operative stance with the other Premiers to go about patting himself on the back, or appearing to pat himself on the back, when really he is very much, if I may say so, Sir, a new boy in the club and he would be better to learn a little before he gives advice.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. H. PAWLEY:** Mr. Speaker, there are times when the senior boys in the club can provide useful advice; from occasion to occasion new boys sometimes have some useful advice to provide as well.

**HON. S. LYON:** Mr. Speaker, would the First Minister mind telling the House which of the other nine Premiers did not do their homework on the Indian constitutional matters?

**HON. H. PAWLEY:** Mr. Speaker, I think if the Leader of the Opposition would peruse the reports and the transcripts of this past week, he would sense very, very quickly, unfortunately, which Premiers might have provided greater initiative during the Conference to ensure that there be greater success.

### Marxist Study Conference

**MR. SPEAKER:** The Honourable Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Speaker, my question is to the Minister of Economic Development and Tourism. I'd like to ask the Minister, did she, the Minister, chair a panel at the Marxism Conference held at the University of Manitoba between the 12th and 15th of this month, March.

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**HON. M. SMITH:** Mr. Speaker, I was honoured to be asked to chair one session.

**MR. F. JOHNSTON:** Mr. Speaker, can the Minister inform the House what she learned that would employ 54,000 unemployment Manitobans and stop the record bankruptcies in this province?

**HON. M. SMITH:** Since the topic of the session was the International Trading and Monetary Systems, I learned that some of the dislocation we're having in world trade can be accounted for by our inability, at the international level, to provide sufficient liquidity for developing countries and loans on terms that they can realistically repay, and without that kind of improvement in the international monetary fund and the world banking system, our chances for building a fairer and more stable international trading system are fairly low.

**MR. SPEAKER:** The Honourable Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Speaker, my question is to the Premier. The Attorney-General, the Minister of Energy and the Minister of Economic Development were all listed as part of the agenda for the Marxism Conference held at the University of Manitoba and supported financially by the Provincial Government.

I wonder if the Premier could let us have information in this House or would he supply us a list of all of the Ministers in his government and members of his caucus who participated in this conference.

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

**HON. H. PAWLEY:** Mr. Speaker, I don't think for a moment that I intend to delve into whether caucus members or Ministers or others participated in a particular academic seminar or not, a seminar involving academic study. I'm not going to check from the Member for Springfield, the Member for Thompson, all the way along to find out who answers yes and who answers no to attendance and involvement at this particular seminar any more than a seminar that apparently I'm going to be attending personally tonight at the planetarium.

### Eating Disorders Clinic

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

**HON. L. DESJARDINS:** Mr. Speaker, I think the Honourable Member for St. Norbert asked me a question that I took as notice. It was the funding of the Eating Disorder Clinic at the Health Sciences Centre. I wish to say to him that at no time was the hospital approached, the Manitoba Health Services Commission, to request any funds for that. At no time did they indicate that this was a high priority of theirs. This is something that was done, although the commission kept on paying the doctors to deliver this service, on fee for service, the situation was that this was a program of the hospital with the block funding, if my honourable friend understands the setup, the choices they have on certain programs.

I want to say, though, to my honourable friend that the hospital has changed their stand and they will now fund - I think it's the nurse that had been funded -

until there is a clear decision what their policy and the priorities are at that hospital, and under these circumstances I don't think it would be proper for either the commission or the government to be involved with something that is a decision of the hospital.

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

**MR. G. MERCIER:** Mr. Speaker, I thank the Minister for that answer, but I would ask him, Sir, in view of the fact that there are 25 people being treated by the Eating Disorders Clinic, and in view of the fact that there are another 31 on the waiting list to be treated - I think in today's newspaper there is indeed a newspaper article about a psychiatrist who is involved in that program in a survey, and it is a serious health problem for many people - is the Minister of Health saying that because this comes under a block-funding grant to the hospital that if the hospital finds it doesn't have sufficient funds, for reasons that the hospital itself decides, that this program can be done away with?

**HON. L. DESJARDINS:** In view of the fact that the member belongs to a party that is stating that we have too large a deficit; in view of the fact that the member, although first approved the closure of certain beds, now want to see them opened; in view of the fact that there are many of the other groups like this that are certainly valid; I think that the best place to discuss this and I recognize the importance of the program, I think that should be done during the Estimates because there is no way that we can respond and I think it would be wrong just by pressure on every program. There has to be an orderly way and that is done through the hospital. We believe that the hospital and the boards and the medical group in certain hospitals should prioritize and this is what we're doing. We're not going to make a decision and bypass the hospital that encouraged that. We're going to look at this in an orderly fashion.

### Health-care system restoration - election promise

**MR. G. MERCIER:** Mr. Speaker, would the Minister like to explain the election promise whereby Manitoba New Democrats would restore the health care system?

**HON. L. DESJARDINS:** I'm very pleased — (Interjection) — you took the words right out of my mouth, I'm very glad to. I think that the situation, if you're going to restore this, first of all, you have to do it in a responsible way and I think that you have to look at the situation at the front, — (Interjection) — well do I have a chance to answer this, or do you all know the answers.

**MR. H. ENNS:** You can't stand the heat, Larry.

**HON. L. DESJARDINS:** I can stand all the heat you can give me, as long as you give me a chance to answer your questions.

I think, Mr. Speaker, first of all, the same people across are talking about big government, that the

government are trying to play doctors and they make all the decisions. We don't work like that. We work with the hospitals. There has been no reduction in the funds that we've given the hospitals. I've tried to explain to my honourable friend — (Interjection) — what's that?

**MR. H. ENNS:** The promise talks about a massive restoration.

**HON. L. DESJARDINS:** We are. We're doing exactly that and to do that you've got to repriorize, you've got to stop duplication and you've got to make some very hard decisions. If that's what you want, you've got to be supportive or at least you can't be on every side of every issue. Talking about the heat, you'll have to be able to face the decisions that you have to make that are not always the most easy and that'll be controversial. — (Interjection) — If you don't know that, you're not very bright.

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

**MR. L. SHERMAN:** Mr. Speaker, I'd just like to ask the Minister of Health whether one man's restoration is another man's cutback?

**HON. L. DESJARDINS:** I'm ready to debate with my honourable friend any day and I hope that we will in the Estimates, because I understand that he is now giving a service as a consultant on health and I want to see what kind of consulting we'll be doing.

**MR. L. SHERMAN:** Would the Honourable Minister consider, Mr. Speaker, that he had four years of that experience and during that time he and his colleagues addressed every rationalization we tried to bring to the health-care system as a cutback?

**HON. L. DESJARDINS:** Mr. Speaker, there is a bit of . . .

**HON. S. LYON:** That's a hypocrisy, that's a hypocrisy.

**HON. L. DESJARDINS:** Watch out, you had to withdraw that word once before and you might have to do it again. There is a bit of truth in what my honourable friend has just said, because I think when he was on this side, I think he was sucked in and he responded to everything. My intention is not to run every single hospital.

You know, we asked him a question, he was going to see the next day, he was going to correct it. The boards of certain hospitals have certain responsibilities. They will prioritize and I'm not going to answer every question that he tried to answer. That was his business; I'm not going to operate like that.

### NON-POLITICAL STATEMENT

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

**MR. P. FOX:** Thank you, Mr. Speaker. I'd like to make, with the indulgence of the House, a non-political statement. (Agreed) Thank you, Mr. Speaker.

Words are often inadequate but I would like to express my gratitude, and that of my children, Elaine, Kenneth, Donald and his wife, Bev, for the many messages of sympathy and condolences received in the past few days.

I would like to thank the Leader of the Opposition, and my colleague, the Member for Radisson, for their wonderful tribute on last Tuesday, the words they had to say about my wife.

Mr. Speaker, I should also like to express my gratitude to the Reverend Bill Blaikie for his comforting eulogy on Friday, and also, as well, my thanks to the Ladies Auxiliary of the Royal Canadian Legion, Prince Edward Branch, for their help on Friday afternoon.

There are many more words I would like to say, Mr. Speaker. Nancy was a friend to all, and all were her friends. She was a devoted mother and a wonderful soulmate to myself. We will all miss her.

My deepest and heartfelt thanks to everyone for their kindness. Thank you.

### ORAL QUESTIONS Cont'd Manfor Operation, The Pas

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Speaker, my question is for the Minister of Energy and Mines. At the time that the government changed in November, 1981 negotiations were under way between the province, the Federal Government, and the private corporation with respect to some refinancing and restructuring of the Manfor operation at the Pas.

I wonder if the Minister of Energy and Mines could advise the House now as to the results of those negotiations

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

**HON. W. PARASIUK:** Mr. Speaker, at the time the government changed hands, in November, the negotiations under way at that stage between the government and a private company had in a sense stopped. We had renewed discussions with that company; we have kept them informed of what we are doing in terms of a federal-provincial study as to the options with respect to Manfor, because, Mr. Speaker, any investments with respect to Manfor, as hypothesized by anyone, entailed federal contributions and federal input. Mr. Speaker, the reason why we're going through the detailed study in concert with the Federal Government is to insure that Manitoba gets as fair and equal a treatment with respect to federal contributions to the forestry industry as have other companies and provinces to the east of us.

**MR. B. RANSOM:** Mr. Speaker, I believe that study has been under way for some time. Can the Minister advise the House when that study might be completed?

**HON. W. PARASIUK:** Mr. Speaker, we're hoping that it would be completed in the next two to three months.

There's some work required by some federal people on this, but we are hopeful that it will be completed in the next two to three months.

At that stage, of course, it'll be considered by the management, and by the board, and I would expect to be hearing from the board and management as to their recommendations of the alternatives that might be pursued.

**MR. B. RANSOM:** Mr. Speaker, since the Minister apparently will be asked by the Manfor Board to have the government provide anywhere from \$50 million to \$400 million of refinancing and upgrading for Manfor, will the Minister assure the House that his first priority will not be for the government to undertake this alone, but will be to seek private sector input.

**HON. W. PARASIUK:** Mr. Speaker, what we are doing is looking at all the options. We certainly haven't precluded any type of private involvement in the development.

Many of the private companies that had been approached in the past, and are continuing to be approached, are finding that their own cash flow situation is extremely tight. In fact, some of the companies have gone into what's called a Chapter 11 Bankruptcy, in the United States, where they've had to reorganize their own financial affairs in particular plants that they have, but certainly we don't preclude private involvement. We have been looking at it to ensure that we have the fullest opportunity of locking in markets, especially if the option of going to a bleached craft operation was pursued.

**MR. B. RANSOM:** Mr. Speaker, during the election of 1981, the First Minister promised that his government would put \$10 million into upgrading the Manfor operation. That would be sufficient to see the company into the future for some time.

Can the Minister of Energy and Mines now confirm whether that was either willful misleading of the electorate or a dismal ignorance of the facts?

**HON. W. PARASIUK:** Not at all, Mr. Speaker. Indeed the truth of the matter is that something in the order of \$10 million may indeed be required for the sawmill operation to establish its future into the longer term. The situation with respect to the pulp and paper complex has been dramatically altered, Mr. Speaker, by the Federal Government in its negotiations on tariffs whereby our tariff protection is being lost, Mr. Speaker, for the type of product that we produce.

Mr. Speaker, the rather interesting thing in this respect is that the previous management and board had made recommendations to the previous government calling for improvements and investments in Manfor, of a small nature, Mr. Speaker, which would have stabilized that operation more so but, Mr. Speaker, those recommendations were ignored by the previous administration because they had their intentions set to sell off the corporation, Mr. Speaker.

### Interest Rate Relief Program re farmers

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

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please, order please. The Honourable Member for Roblin-Russell.

**MR. W. MCKENZIE:** Thank you, Mr. Speaker. Mr. Speaker, I have a question for the Premier, the First Minister.

Mr. Speaker, I wonder if the First Minister and his government have satisfied themselves that the Interest Rate Relief Program for farms has failed the farmers miserably and that the government's new regulations and guidelines to MACC has also failed the many financially strapped farmers in this problem miserably. Is he and his government now, according to Winnipeg Sun, prepared to sit down with the banks and the financial institutions in our province and help solve the dilemma our farmers are facing?

**MR. H. PAWLEY:** No, Mr. Speaker.

**MR. W. MCKENZIE:** Mr. Speaker, since last Thursday, on the opening of the Estimates of the Minister of Agriculture, the Honourable Minister refused to deal with the serious problems when I pleaded with him and the former Minister of Agriculture, the Member for Arthur, pleaded with the Minister of Agriculture to come to grips and deal with the problems that these financially-strapped farmers are facing today. Does the Minister agree with the statement that's in today's paper that as many as 1,000 farmers may not be able to muster enough cash to put a crop in the ground this spring?

**HON. H. PAWLEY:** Mr. Speaker, there is a serious problem confronting agriculture, not only in Manitoba, but all of Canada. One need only look for a moment or two at some of the national broadcasts of auctions that are taking place involving the sale of farm equipment because of foreclosures on the part of the banks.

Mr. Speaker, if the honourable member is wishing to identify the reason and cause he need not travel too far, indeed in today's question period, to the very commencement of today's question period, as to the reason by which farmers and businesses and workers and others are in difficulty in this land and it relates right back to the kind of policies that have been proclaimed and pushed by the Governor of the Bank of Canada.

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

**MR. J. DOWNEY:** Mr. Speaker, in view of the fact that the First Minister of this province has indicated that he's not going to sit down and discuss the financial difficulties of the farm community with the banking community, and in view of the fact that there is legislation in Ottawa presented last week to deal with this particular issue, is he going to bring in companion legislation in Manitoba to bring in debt moratorium for the farmers in Manitoba?

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

**HON. H. PAWLEY:** Mr. Speaker, certainly I did not want to leave any impression that we were not prepared to

sit down with the farmers in this province and discuss the financial situation that is introduced as a result of backward looking financial policies that have been pursued for the last number of years; certainly the Minister of Agriculture is most anxious to do so, has been doing so, and will continue to do so. One of our responses to that had been the Interest Rate Relief Program that the Honourable Member for Russell just referred to, that indeed has assisted some hundreds of farmers and the precise number can be made known to honourable members. That has been a provincial initiative, limited as to its scope and ability, but it has made a significant contribution to assisting the farmers in the Province of Manitoba. I believe, Mr. Speaker, it may be the only such Interest Rate Relief Program of its type in Canada attempting to help, in some limited way, within the provincial jurisdiction of the agricultural community.

**HON. S. LYON:** The only ineffective one in Canada, that's true.

**A MEMBER:** The only one that's failed, Howie.

**MR. J. DOWNEY:** Mr. Speaker, does the First Minister support the legislation that was tabled in Ottawa last week, which in fact, would bring in debt moratorium legislation? Is he going to bring parallel legislation or supplementary, complementary legislation into this Assembly, at this particular time, or at this Session? Does he support that program or that proposal?

**HON. H. PAWLEY:** Mr. Speaker, by the way, I have some information as to the - I gather some 702 applications have been approved and thousands of more farmers have received financial management consultations, so 702 farmers in the province are presently receiving Interest Rate Relief assistance in the province. I suppose the Honourable Member for Russell was asking the question in ignorance of that basic information.

Mr. Speaker, I'm encouraged by the initial reports I've received pertaining to the federal legislation. I don't interpret the legislation to be debt moratorium legislation but rather a referral kind of legislation. We are certainly interested in perusing that legislation and if complementary legislation is required at the provincial level, to certainly examining and considering the feasibility of doing so. In principle it appears to me that the step, by way of the legislation tabled in Ottawa, is a positive one and it deserves serious consideration on the part of the Province of Manitoba.

**MR. J. DOWNEY:** Mr. Speaker, I have a final supplementary. In view of the position that the First Minister has taken that he is contemplating or will be contemplating bringing in debt moratorium legislation, is he prepared, Mr. Speaker, to instruct his government to increase the funds through the Manitoba Agricultural Credit Corporation . . .

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

**HON. H. PAWLEY:** On a point of order, I don't know whether the honourable member failed to hear me

accurately or whether he's intentionally attempting to mislead. My statement was not that we were going to bring in debt moratorium legislation. What I indicated was that complementary legislation, if required by the province, might very well be considered, in view of the federal initiative.

**MR. SPEAKER:** I thank the Honourable Minister for his explanation.

The Honourable Member for Arthur.

**MR. J. DOWNEY:** Mr. Speaker, I'm somewhat confused at the response by the First Minister because the interpretation that I took from his first answer was that in fact they would be moving with legislation.

I have a further question, Mr. Speaker. In view of the now First Minister's election promise in November of 1981 that no farmer or no person would lose their farm or their home, will he in fact make changes to the Manitoba Agricultural Credit Corporation and expand the amount of funds available there, so that in fact that won't happen, if he is not going to move in a legislative way to support the farmers in Manitoba?

**HON. H. PAWLEY:** Mr. Speaker, there appears to be some difficulty across the way in honourable members getting their act together. If my recollection is accurate, 30 minutes ago the Leader of the Opposition had indicated there wasn't an interest rate problem now. I recall a statement on the part of the Leader of the Opposition but 30 minutes ago to that effect.

Now we have the Member for Arthur, backed by the Member for Russell, disassociating themselves from the position by the Leader of the Opposition, in advising us, Mr. Speaker, that there is . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please.

**HON. H. PAWLEY:** . . . a serious interest rate crisis. — (Interjection) — Mr. Speaker, if a recess is necessary for honourable members to get their act together, I would suggest that we do likewise now.

**MR. J. DOWNEY:** Mr. Speaker, I will fully associate myself with our leader and, in general, the majority of interest rates have gone down a considerable amount in this country, except for those that his Minister of Agriculture is maintaining at 18 percent under the Manitoba Agricultural Credit Corporation, which he refuses to lower.

**HON. H. PAWLEY:** Mr. Speaker, if that was a question, I couldn't hear it for the banging of desks across the way, so the honourable member would have to repeat the question because I just couldn't hear it for all the noise across the way.

**A MEMBER:** Hit him again!

**MR. SPEAKER:** Does the Honourable Member for Arthur wish to rephrase his question?

**MR. J. DOWNEY:** Mr. Speaker, I have no difficulty in repeating that because it is in the best interests of the

farm community, unlike what the First Minister is prepared to do in anybody's interest.

The question was, Mr. Speaker, is he prepared, and I said to start off with, because he didn't hear me - I want to make sure that he does - that I fully associate myself with our leader of our party, who did a lot of things to help not only the farm community, but Manitoba.

The question is, will he instruct his Minister of Agriculture, who is maintaining for some of the farmers, under the Manitoba Agricultural Credit Corporation, an 18 percent interest rate, will he instruct his Minister of Agriculture to lower those to those farmers that are trapped in that 18 percent interest rate level?

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

**HON. H. PAWLEY:** Now that the member has indeed clarified his position in relationship to the position adopted earlier by the Leader of the Opposition, then, Mr. Speaker, certainly insofar as the latter part of his question, this government is open to any constructive views that may be expressed. We're certainly prepared to examine same, but I must emphasize to the honourable member that this side of the Chamber and this government has to also be very conscious of the financial implications of any proposed offer.

**SOME HONOURABLE MEMBERS:** Oh, oh!

### Pruning of trees re Dutch Elm disease

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

**MR. D. ORCHARD:** Thank you, Mr. Speaker. My question is for the Minister of Natural Resources. Last week I posed the question as to whether he could make available personnel and equipment from the Dutch Elm Disease Control Program to undertake pruning of trees damaged by the recent ice storm in communities of southern Manitoba. He indicated last week that he would approach his department to see if that equipment and personnel could be made available. Is the Minister willing to offer that equipment and personnel to those communities?

**MR. SPEAKER:** The Honourable Minister of Natural Resources.

**HON. A. MACKLING:** Mr. Speaker, I did take the question as notice; the department is looking at that. That involves more spending, and of course that's a problem, but we are interested in putting people to work and so we were looking at opportunities for that. I haven't had a report on it yet. When I do, I'll report to the House.

**MR. D. ORCHARD:** I very much appreciate the Minister's answer. It would offer those communities some hope. I would ask the Minister if he could give a general indication as to how soon he might be able to make a decision on that since some of the communities no doubt will be undertaking pruning with equipment that is not safe by any means and, if he could give an indication of how quickly his decision

could be available to the people, then they might forestall that pruning activity on their own.

**HON. A. MACKLING:** I will attempt to abridge the normal time or prune that time to get an answer quickly.

**MR. SPEAKER:** Order please. The time for question period has expired.

### ORDERS OF THE DAY

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

**HON. R. PENNER:** Mr. Speaker, would you please call the adjourned debate on the proposed motion of the Minister of Finance on Page 3, standing in the name of the Member for Lakeside.

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Finance that Bill No. 29 . . . the Honourable Member for Lakeside.

**MR. H. ENNS:** Mr. Speaker, I ask the indulgence of this House to have this matter stand.

**MR. SPEAKER:** 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.

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Just on a point of order, Mr. Speaker, will the Minister of Agriculture be present for his Estimates?

**MR. SPEAKER:** The Honourable Government House Leader to the same point of order.

**HON. R. PENNER:** The Minister of Agriculture was attending a speaking engagement and expected to be back in the House by 3:00, Sir. There may be a short delay, but certainly it is our intention to proceed with the Agriculture Estimates, so we would ask the indulgence of the members opposite. I'm sure they need that time in order to sharpen their wits; it became quite obvious during question period.

**MR. SPEAKER:** On the motion that was put to the House, is it the pleasure of the House to adopt the motion? (Agreed)

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

### CONCURRENT COMMITTEES OF SUPPLY SUPPLY - CONSUMER AND CORPORATE AFFAIRS

**MR. CHAIRMAN, C. Santos:** Committee, please come to order.

May I remind the members that we are on Item 3.(b)(1)?

The Member for Tuxedo.

**MR. G. FILMON:** Mr. Chairman, when we were last on this topic, at the last Session, I asked the Minister a question which he asked to have repeated. The question was in reference to the Northern Union Insurance Company licence cancellation, if it wouldn't have been better for the department or the Minister to satisfy themselves, prior to cancelling the licence and plunging the company into receivership, that there wasn't some ability or opportunity on the part of the principals behind the company to come up with sufficient assets or financial support to satisfy the requirements of the solvency section of the Act.

Secondly, if it would not have been better to at least call the bank to the table to find out the basis upon which they had blocked the transfer of funds and give some time, whatever time that would be, a week, 10 days, two weeks, whatever seemed reasonable, for the matter to be sorted through as opposed to taking an action which undoubtedly would plunge the company into receivership and then leave the policyholders or claimants against the company in a position where it had to be obvious that they would not be in a position to collect on unearned premiums or outstanding claims or whatever. What I am saying is, was there not a case to be made for at least bringing the relevant people to the table and discussing it, putting some time frame on, as opposed to just plunging the company into receivership?

**MR. SPEAKER:** Mr. Minister.

**HON. J. BUCKLASCHUK:** Perhaps I can just respond to that by, again, providing some background to what took place during the time of the hearings. We met in camera. I failed to mention that before, but I think that's rather relevant to indicate that we were concerned about jeopardizing the viability of Northern Union. The meetings were held in camera. We had been told by the principals that they had instructed the bank to transfer \$4.2 million, I believe, to the Northern Union account. Documentation was produced, I believe, the Tuesday morning, and I believe the Member for Tuxedo has a copy of that documentation attesting that the transfer had been requested. We were informed that afternoon. I believe that a transfer had not been allowed. The hearings were adjourned to a future date. The principals met with the bank the following day and I believe they spent most of the day meeting with bank officials. There was no satisfactory resolution to the problem, nor was there any request by the principals for us to intervene with the bank on their behalf. In view of the information that had been provided to us, we were satisfied that the situation was serious enough that by not failing to cancel the licence or consider

cancelling the licence at that time that we were in fact creating the possibility for future, even greater potential losses. So I don't think there would have been any purpose served in delaying the cancellation.

**MR. G. FILMON:** I'm given to understand that upon the cancellation of the licence by the Manitoba Government, the Saskatchewan Government made a decision to place the resources of the Saskatchewan Government Insurance Company behind any policyholders in Saskatchewan of the Northern Union Insurance Company because they recognized that in this whole process of having to change their coverage the people would be left adrift for a certain period of time, whether that be over a weekend or over a period of time 10 days, two weeks, whatever, while the action could be undertaken to replace the insurance with other companies and so on. They recognize that there was a need for some umbrella coverage, some action to be taken to protect the interests of the policyholders of Northern Union resident in Saskatchewan.

The Manitoba Government, it seems to me, was in the same position, and in fact this Minister was responsible and is responsible for MPIC and could have taken the same action. As the Minister knows, I have been critical of him for not providing some short-term umbrella coverage and questioned him about that in the House. I'm given to understand that Saskatchewan took this action, at least that was some information I've been recently given, and I wonder why the Minister didn't consider taking that action here in Manitoba to protect the interests of the policyholders, at least on a short-term basis until they were in a position to transfer their coverage and effect the necessary changes.

**HON. J. BUCKLASCHUK:** In response to the member's comments, I was aware of the action taken by the Saskatchewan Government Insurance. They offered to pick up the personal lines risks at a cost to the policyholder on an interim basis until such time as the policies had been placed elsewhere, or with them. In the situation in Manitoba, I was aware that immediately upon the notice of cancellation that was publicized on Friday that a fairly substantial number of agents immediately contacted MPIC and asked MPIC if they would take on that coverage. I don't recall the exact percentage but I do know that MPIC underwrote quite a number of personal lines policies.

I had MPIC take a look at some of the policies that had not been picked up and there certainly was a question as to whether we would wish to assume the type of risk that had been assumed by Northern Union. There certainly is a question as to what our responsibility through MPIC was to the policyholders in other provinces or to those policies that involved fairly considerable risk or higher risk than MPIC would have normally picked up.

**MR. CHAIRMAN:** Are you finished with your line of questioning, the Member for Tuxedo?

**MR. G. FILMON:** No, Mr. Chairman. I wonder if the Minister could indicate, whether in view of the circumstances and the way they evolved whereby

because of Ministerial action, the one company was put into receivership, Northern Union, and in essence thrown out of the general insurance field in Manitoba, and the major benefactor appears to be the company for which the Minister is also responsible, MPIC having picked up a large percentage of the coverage in Manitoba, whether or not this is not a direct conflict of interest for the Minister to be in a position of regulating privately held insurance companies and taking actions which affect their viability and indeed their operations and then those actions resulting in benefits to MPIC, the company for which he is the Minister responsible to the Manitoba Legislature?

**HON. J. BUCKLASCHUK:** I gather the Member for Tuxedo didn't hear me. I had said that the insurance agents approached MPIC. At no time did MPIC solicit the agents for Northern Union policies, so I certainly can't see there's any conflict. Furthermore, there was no obligation on the part of MPIC to pick up these policies, that the agents came to MPIC.

**MR. CHAIRMAN:** The Minister of Urban Affairs.

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

**MR. G. FILMON:** Mr. Chairman, on a point of order. I thought we had an understanding that as long as a member was pursuing a line of questioning with the Minister he would continue to be allowed to pursue that line of questioning until he was completed. This has always been the understanding in committee and, if we're now going to cut off members so that a Minister can be bailed out by one of his colleagues, then I think it's absolutely ridiculous.

**MR. CHAIRMAN:** Does the Minister of Urban Affairs wish to yield the floor?

**HON. E. KOSTYRA:** Mr. Chairman, that, with all respect, is an improper point of order. I haven't been through committee hearings before and I was never aware of that rule being established. However, I would not want any thought be left that my intervention or the questions that I was going to raise were in any way trying - in the terms of the honourable member - to bail out. It was rather to seek some further information and I certainly don't want to interrupt the line of questioning from the Member for Tuxedo because he may lose his train of thought, so I would voluntarily hold my questions until the time when he has finished his current line of questioning.

**MR. CHAIRMAN:** Thank you, Mr. Minister. It just happened that your hand caught my eyes first at that instant.

The Member for Tuxedo.

**MR. G. FILMON:** Thank you, Mr. Chairman. In pursuing the Minister's response, I fully recognize that the MPIC may well have been contacted by agents to replace the coverage with MPIC, but if the reduction of competition in the availability of general insurance coverage in the province has the net effect of reducing the options, then obviously more of that insurance,

even if it's placed on a prorata basis of all the companies involved, it's to MPIC's benefit for companies to be closed down and licences to be cancelled. Is this not a direct conflict of interest?

**HON. J. BUCKLASCHUK:** The remarks about diminishing competition were rather interesting. Northern Union was not one of the largest insurance companies in Manitoba, I can assure you. I should also assure the Member for Tuxedo that it was neither the Department of Consumer and Corporate Affairs nor MPIC that brought about the problems that Northern Union was experiencing, so how we could have benefited from something that is entirely out of our control is hard for me to understand.

**MR. CHAIRMAN:** On the same line of questioning? The Member for Tuxedo.

**MR. G. FILMON:** Is the Minister saying that he didn't cancel the licence of the insurance company?

**HON. J. BUCKLASCHUK:** I readily admit to cancelling the insurance licence in the interests of the policyholders.

**MR. G. FILMON:** Isn't the cancellation of the licence what caused the policyholders to have to seek alternate coverage?

**HON. J. BUCKLASCHUK:** I think the response to that is to have allowed Northern Union to continue would have left policyholders with absolutely nothing. We hope that in the process of cancelling the licence that there will be some assets left to pay off existing claims and to at least prorata some of the premium rebates.

**MR. G. FILMON:** Is the Minister saying that the assets would have been withdrawn from the company in some way, so that there would have been - had they allowed the company to operate for another day, then the assets would have gone down to zero overnight?

**HON. J. BUCKLASCHUK:** No, I certainly didn't say that. What I meant by that was that allowing the company to continue in operation, with what we now certainly see as being a bit of a pattern, the assets would have been diminished further.

**MR. G. FILMON:** Were the shareholders of the company given an opportunity to put up additional assets?

**HON. J. BUCKLASCHUK:** Yes, they had been.

**MR. G. FILMON:** Was that just within the two-day period of the hearing, Mr. Chairman?

**HON. J. BUCKLASCHUK:** Yes, subsequent to a November 4th meeting with the Acting Superintendent of Insurance and, I believe, the Acting Deputy Minister of Consumer and Corporate Affairs, there had been a commitment given by one of the principles to have deposited, or to have into Northern Union an additional \$1.5 million by the end of the year. As I had mentioned

last week, this was one of the commitments that had not been kept.

**MR. G. FILMON:** Mr. Chairman, we've covered that ground and that's a matter that I'm sure will be pursued in various legal actions that will no doubt ensue from this whole matter. But getting back to the overall concern of conflict of interest and assuming that we're not even talking about Northern Union Insurance Company, with the Minister having the power to regulate and in effect cancel licences of operating insurance companies, as well being the Minister responsible for MPIC, is this not a direct conflict of interest, where he is acting not only as regulator, but as in effect, owner and competitor of general insurance companies in this province?

**HON. J. BUCKLASCHUK:** I see no conflict whatsoever. The cancellation was by Cabinet and the fact that the government is involved with MPIC, I believe, has no bearing whatsoever on this situation.

**MR. G. FILMON:** Mr. Chairman, one of the members opposite just said it's always been that way. It has not always been that way, where the Minister responsible for MPIC has also been the Minister responsible for the administration of The Insurance Act. This is the first time, as far as I'm aware, in the history of the province and it puts the Minister in the position of being a competitor or responsible for the operation of a competitor of the insurance companies that he regulates. I see it as a direct conflict of interest. I'm surprised that the Minister can't see that.

**HON. J. BUCKLASCHUK:** The member may be quite correct. This, to my knowledge, is the first time a licence for an insurance company's been cancelled in Manitoba, but cancellation of a licence to protect the interests of policyholders can no way be seen as some sort of a conflict between that responsibility that I have and my responsibilities for Manitoba Public Insurance Corporation.

**MR. G. FILMON:** The cancellation of a licence for the protection of the policyholders may be one thing, what about cancellation of a licence for the opportunity to expand the interests of MPIC? — (Interjection) — I'm saying it's possible.

**MR. CHAIRMAN:** Is the Member for Tuxedo asking a question?

**MR. G. FILMON:** Pardon?

**A MEMBER:** Is that the motives you're imputing?

**MR. G. FILMON:** I'm not imputing any motives, I'm suggesting to the Minister of Urban Affairs that in the situation where one Minister is both responsible for the operation of an insurance company in the field of general insurance, where he is a direct competitor with the companies that he is licencing and regulating, he has a direct conflict of interest and he has been put in that position unfairly by his Premier and his Cabinet and I say to you that as long as he's in that situation,

he's going to be in a position of being suspected of those motives by people regardless of whether that's me or others.

**HON. J. BUCKLASCHUK:** Well, again I can say that I certainly cannot see any conflict of interest whatsoever and I think the Member for Tuxedo is trying to build an extremely weak case.

**MR. G. FILMON:** Mr. Chairman, I now see the problem that we have with respect to the members of the government's knowledge and information on conflict of interest, when they cannot see that this is an absolutely direct conflict of interest, then I know why we have a problem with conflict-of-interest legislation in this province and that is that members opposite don't understand what a conflict of interest is.

**HON. J. BUCKLASCHUK:** Well, I'm glad the member raised that because it is our intention to introduce conflict-of-interest legislation and I would suggest that if anybody had any problem with it, it's the opposition. We are the ones who are introducing that legislation.

**MR. G. FILMON:** That's exactly right, Mr. Chairman. The government is introducing conflict-of-interest legislation that doesn't prevent direct conflicts of interest from taking place, such as this one. It's not worth the paper it's printed on.

**MR. CHAIRMAN:** The Minister of Urban Affairs and Cultural Affairs.

**HON. E. KOSTYRA:** Mr. Chairman, just on the latest line of questioning with respect to conflict of interest, I've never heard such nonsense in my life coming from the Member for Tuxedo. I would ask the Minister to respond whether or not he, as the Minister responsible for The Insurance Act and the Minister responsible for the Manitoba Public Insurance Corporation if he received any personal gain out of the transactions that have taken place with respect to the subject insurance company or the Manitoba Public Insurance Corporation. To suggest, in such a perverse way as the Member for Tuxedo suggested, that there's a conflict of interest because the Minister is charged with the responsibility of The Insurance Act and the Manitoba Public Insurance Corporation, probably that same situation would reflect on most, if not all Ministers of the Crown. To give a parallel example you have - and this was the same in the Cabinet that he was a member of - you have the Minister responsible for Energy and Mines also responsible for Manitoba Hydro.

Manitoba Hydro is a Crown corporation in the field of providing energy, one form of energy to the residents and the citizens of the province; and you have the Minister responsible for other matters related to energy in the province, such as the distribution of gas in various cities and communities. So taking his argument with respect to conflict of interest to that extreme, there's a conflict there because here you have a Minister responsible for a Crown corporation, Manitoba Hydro, that provides energy in one form to residents of the province and is also responsible for energy policy generally in the province. So that would put him in a

conflict of interest position given the honourable member's suggestion which is just totally ridiculous, Mr. Chairman.

I ask the Minister to respond after whether or not he has received any personal gain as a result of the actions that he was responsible for as the Minister responsible for a statute of the Province of Manitoba, that being The Insurance Act, which has prescribed legislative actions that have to take place with respect to the kind of situation that confronted the Minister. I'd ask him whether or not he received any personal gain from that transaction because, if he did, then that would be a situation of conflict of interest. I believe that the Minister was acting as he ought to, to protect the public good with respect to the operation and licence of insurance companies in the province.

The second question that I'd like to ask the Minister is that if the action that was taken with respect to Northern Union, if it was not taken, could he confirm that there would be further losses incurred by residents, individuals, businesses in the Province of Manitoba, far greater damage than was done under the present situation?

I have one final question to ask the Minister, that again is in line of the questioning of the Honourable Member for Tuxedo when he asked a question with regard to the situation during the period of the hearings that were held with respect to this insurance company, wherein he asked whether or not there was any opportunity given to the shareholders of the company to arrange for alternate financing. I wonder if the Minister could tell me whether or not the problems related to this insurance company were those that occurred during that two-day period or were they actions or situations that occurred over a longer period of time than those two days, and whether or not the company had on its own, prior to the actions that were taken and the investigations taken by the Superintendent of Insurance, if the company had the opportunity to put its own financial affairs in order.

**HON. J. BUCKLASCHUK:** Okay, I'll attempt to answer those questions. First of all, were there any personal gains that I received from this? - I can assure the member that absolutely none - as a matter of fact, the Member for Tuxedo would leave us with the impression that I took some sort of great pleasure in the cancellation of this licence. I can also assure him that it is as remote from reality as possible. It was a very difficult decision to make; it was one that we made with great reluctance. It was one we made after giving the principals of Northern Union every opportunity to resolve the problem.

With respect to the remarks about MPIC benefiting from Northern Union's demise, I would suggest that the Member for Tuxedo review the annual statement of the Manitoba Public Insurance Corporation I tabled last week. Just from a very quick perusal, and particularly of the general insurance portion, one would note that MPIC has grown considerably in that particular area and certainly would not need the cancellation of Northern Union to enhance its premium income or position in the insurance industry.

With respect to the question about whether opportunities had been provided to the principals of

Northern Union to put the company back in some sort of financial position where it could survive, I had mentioned the opportunity had been given and the commitment that had been given by the principals in November to inject an additional \$1.5 million, a commitment which was never kept. The opportunity that was provided during the hearings to have the transfer of funds take place, that transfer was not carried out. The fact is that the insurance company during the time of the hearings was in substantial default, not something that occurred in the two days of the hearings, or in the two days previous to the hearings, or to the days from which they were given notice. It was a matter that had accumulated over a number of months. It was my feeling that there was no way in view of the circumstances that the assets, or the assets within the company, could be brought up to a level that could justify the continuation or the existence of the company.

I should mention, and I have failed to do this so far, that since the Member for Tuxedo apparently has some indication of the finances of Northern Union, he should be aware that had the transfer been allowed that the overdraft limit with the bank would have been exceeded by some \$4 million or \$5 million. It was that reason that the bank had, as far as I know, refused to allow the transfer. It's nice to play with money that you don't have and that's what appeared to be the situation.

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

**MR. G. FILMON:** Mr. Chairman, did the Minister speak with representatives or officials of the bank about this matter?

**HON. J. BUCKLASCHUK:** I have not had any contact with the bank.

**MR. G. FILMON:** Then on what basis did he make that last statement?

**HON. J. BUCKLASCHUK:** The basis on which I made that statement was evidence provided to us under oath at the hearing by the principals as to what their line of credit was and with the statement that was provided to us during the hearings.

**MR. G. FILMON:** The statement about the excessive overdraft was made by the principals?

**HON. J. BUCKLASCHUK:** We were presented with the financial statement at the hearings indicating the position of the cash concentration account. We were also provided with information as to what their overdraft authorization was at the bank. It didn't take very much to ascertain, to notice that they had exceeded their authorized line of credit and, had the transfer been allowed, it would have exceeded the line of credit by an additional \$4 million.

**MR. G. FILMON:** Were the principals ever given an ultimatum of putting in fresh assets into the company in order to continue its operation?

**HON. J. BUCKLASCHUK:** The principals had provided us with some information about a pending sale which,

while they led us to believe that there was nothing more than a signature required, we had other evidence presented to the effect that in fact such a sale was not imminent.

**MR. G. FILMON:** Who provided the other evidence?

**HON. J. BUCKLASCHUK:** That information was provided by document by the Superintendent of Insurance.

**MR. G. FILMON:** Back to the statements made by the Minister of Urban Affairs, Mr. Chairman, he indicated that this whole thing had not occurred on a short-term basis, but rather it was a long-term action, and since he wasn't here the other day when we were reviewing the process I will lay out for him the information as I have it.

No. 1, the licence of Northern Union Insurance Company was renewed by the Provincial Government and this Minister on January 1st of 1983. No. 2, sometime later that month, the company was invited to appear at a show-cause hearing on February the 8th and 9th. Now it seems to me, Mr. Chairman, that in terms of the public record, the actions that occurred had all occurred within about a month of this meeting. The strong position that was taken by the Minister and the lack of opportunity that was given to the company to perhaps meet the Minister's requirements was not evident by the process of events that is on the record.

The next thing is that the Minister seems to be under the mistaken impression that the only type of conflict of interest that can occur is where there is a personal gain to the Minister. I suggest to him that there are many other instances in which conflict of interest can take place that doesn't involve personal gain to the Minister. Let me suggest that I am not in any way referring to this particular case and so perhaps it would be best for me to outline my examples when I speak to the bill that's before us in the Legislature. But to suggest that the only reason there could be a conflict of interest is because it would result in personal gain to a Minister or a member of the Legislature is absolute folly. There are many kinds, not the least of which is the setting up of an unfair competitive situation on behalf of any one party as a result of legislative or government action which is the case in this particular set of circumstances.

**MR. CHAIRMAN:** Does the Minister of Urban Affairs wish to react to that remark from the Member for Tuxedo?

**MR. G. FILMON:** I'm sorry, I'm not through and the Minister can react later.

The Minister made some statement about there is no way that the assets could have been made to reach the required level. If the Minister has evidence to that effect, that the company was given an ultimatum and was given the opportunity to produce additional assets to satisfy the solvency question, that's fine, but so far he has not produced us that evidence.

The Minister of Urban Affairs referred to the fact that there would be greater losses from a continued operation of the company. I suggest to him he's ignoring

the fact that the company, as long as it was operating, was a viable operation that had some value - and I think that's evidenced by an offer that was pending on it - whereas when the licence is cancelled it automatically drops in value substantially. Not only does it not have a value as an operating company, but you're forced with liquidating it at, shall we say, fire sale prices where you've got to start gathering up the typewriters, desks and leasehold improvements. They generally don't have the value that they are shown on the books because they have to be sold as second-hand goods and depreciated prices. He was automatically condemning the policyholders of Northern Union to not being able to receive benefit or value for their investment in the company. That is a situation which I don't believe the Minister or the government addressed when it made its decision.

**HON. J. BUCKLASCHUK:** I just want to very quickly respond again that the problem that we faced with Northern Union was certainly not something created by the department nor by MPIC. I think the Member for Tuxedo should be able to understand that we cannot be held responsible for the actions of the insurance agents who took the initiative and approached MPIC to write the policies for the former Northern Union policyholders. They also had equal opportunity to approach the private sector and I'm sure they did. So how that can be construed as some sort of a conflict, this I don't understand.

I must reiterate, because I presume the Member for Tuxedo didn't hear me, I had indicated we had documentation presented to us at the hearings that there was no offer for any sale of Northern Union. So if we want to keep arguing on the basis that there was an offer that we jeopardized, that's a very faulty basis to operate on because there had been no offer.

**HON. L. DESJARDINS:** Gary's advocating socialism again.

**MR. G. FILMON:** Mr. Chairman, earlier in this Session, I had placed some questions before the Minister of Economic Development, and I think she responded by turning over some of the questions to the Minister responsible for The Insurance Act with respect to the impending sale of the Monarch Life Assurance Company to an eastern company. As I stated during my questioning, it would seem to me that this move represents a rationalization within the insurance industry, a rationalization that will undoubtedly see, after a period of time over which the moves will take place, it will undoubtedly result in only just a marketing component left in Winnipeg. I am wondering what discussions the Minister has had with the federal counterpart with respect to the allowance of the sale of Monarch Life to North American Life.

**HON. J. BUCKLASCHUK:** As I had indicated to the Member for Tuxedo, the morning after the announcement, or the morning of the announcement, I did sit in with a meeting with the Premier and Mr. Thompson, the President of Monarch Life Assurance Company. He did indicate that the sale of Monarch Life, the offer to purchase was initiated by North

American Life, and he had given us a commitment that Monarch Life would maintain a presence in Winnipeg.

I would like to just quote from a letter from Mr. Thompson to all employees, managers, general agents and agents, and he states, "Following amalgamation, the companies will maintain a strong presence in Winnipeg, a commitment made to the Minister of Finance by the President of North American Life. Some parts of the business of the combined companies will be conducted from the present head office of Monarch Life with the intention that the present number of employees will continue to be employed in Winnipeg."

I might indicate that Mr. Thompson had indicated there would be some restructuring of the operations within Winnipeg and that it was indeed conceivable that there might be an increase in staffing. Furthermore, he indicated that there would not be any change in the investment policies of Monarch Life with respect to investments in Manitoba, so there really was not much purpose in our meeting or contacting the federal Minister responsible on this issue.

**MR. G. FILMON:** What period of time is that commitment valid to maintain the same number of staff here in Winnipeg?

**HON. J. BUCKLASCHUK:** I don't see a specific period of time here, whether it's one day or one year, but Mr. Thompson did assure us that into the future, there was a potential of a greater number of employees being present in Winnipeg than at the present time.

**MR. G. FILMON:** Does the Minister believe that in terms of administrative staff, such as those who are employed in, say the computer section, or the investment section, or the senior administrative section, that given a combination of companies, such as will happen by virtue of this sale, it's likely that all of these services would be duplicated in Winnipeg when the central administration will now be out of Toronto?

**HON. J. BUCKLASCHUK:** No, I think the very opposite. What I meant to convey was that in fact the Winnipeg office would become specialized in one area of the total North American Life operation. Just as some departments would move to Toronto, there would be a transfer of employees and responsibilities to the Winnipeg Branch and, in fact, it would specialize.

**MR. G. FILMON:** What type of specialization would be located in Winnipeg, Mr. Chairman?

**HON. J. BUCKLASCHUK:** Well, I believe that Mr. Thompson indicated it would those - I can't recall that he specifically indicated it would be this responsibility or that responsibility, but he did mention that because of the advanced state of communications, computers and so on, that they could virtually run any aspect of the business out of Winnipeg, out of the total operation.

**MR. G. FILMON:** Mr. Chairman, given the fact that many of the staff members of Monarch Life have been given indications that if they want to remain in positions with the company, they're going to have to move to Toronto, I'd like to know what sections the Minister sees as being transferred from Toronto to Winnipeg.

**HON. J. BUCKLASCHUK:** Well I can't comment on that but I suppose the comment I could make right now is that it's not our responsibility to tell North American Life how to run their operation. We have a responsibility in terms of regulatory responsibilities, but certainly when it comes to the internal operations of North American Life or any insurance company, that's not within our jurisdiction.

**MR. G. FILMON:** Mr. Chairman, does the Minister then disagree with his colleagues, who have intervened in other situations, in which there would be a potential loss of jobs and closing down of operations in Manitoba, such as the Kimberly-Clark situation, in which the Minister of Labour and the Minister of Economic Development have become involved. Does he feel that they have then wrongly become involved, since, as the Minister puts it, it's none of the government's business as to how these companies redeploy their staff and rationalize their operations?

**HON. J. BUCKLASCHUK:** Well, I'm glad the member mentioned the concerns about loss of staff. Certainly we are concerned about the loss of staff and at our meeting we had been assured that the present number of employees will continue and I think that's the important thing. If the employees are here then what other concerns would we have?

**MR. G. FILMON:** Mr. Chairman, but the Minister earlier indicated that the continuation of the number of employees was not for any fixed time. It might be for one day or one year - he wasn't sure - so that's not very much of a commitment.

**MR. P. FOX:** Faith in private enterprise isn't very high, is it Gary?

**MR. G. FILMON:** Mr. Chairman, I have a great deal of faith in private enterprise, to respond to the Member for Concordia, but when they're dealing with a government in whom they don't have a great deal of confidence and trust, then I realize that stranger things can happen and given the lack of confidence of private enterprise in this government, then I'm worried for the consequences in the future.

Well, Mr. Chairman, if there's not going to be a response from the Minister, I guess we'll have to conclude that he doesn't care to discuss the matter with the Federal Minister, who will have jurisdiction over whether or not this licence is transferred, and he doesn't care to look into it deeply enough to assure himself of how the operation might survive in Winnipeg and to what extent.

I know this - that this sale will give a very golden opportunity for rationalization and removal of some significant administrative functions from Winnipeg and unless there are some commitments that the Minister can enunciate and state with confidence, the long-term prospect for continued numbers of staff remaining in Winnipeg after the rationalization, can't be very good and I know that those concerns are shared by employees at the Monarch Life.

**HON. J. BUCKLASCHUK:** Yes, I'd like to respond. First of all, I would like to indicate that I am taking Mr.

Thompson at his word. I have no reason to doubt the commitment that he's given us and if the Member for Tuxedo feels that we should be doing cartwheels, in the meantime, when we have a commitment, well that's his opinion.

Secondly, the permission for the contract has been granted by the Honourable Paul Cosgrove, Minister of State for Finance. I fail to see how our writing him a letter or contacting him, expressing our concern about Monarch Life, would alter things. The purchase is subject to the approval by policyholders and if the Member for Tuxedo is suggesting that Ministers of this government should get involved in the private sector and vetoing sales of companies, while at the same time we're receiving commitments that there will be no negative impact on the province, I suppose he can hold that opinion.

**MR. G. FILMON:** Mr. Chairman, I wasn't suggesting that this Minister or any members of his government do cartwheels over anything. In fact, I'm sure that none of them are capable of doing that - certainly the Minister of Economic Development, in her current state, is not capable of doing cartwheels. She was, in her day as a cheerleader, I understand, but those days are long gone for both the Minister and myself.

He says that he fails to see how contacting the Federal Government is likely to have any effect in vetoing the sale. It seems to me that if the Minister is concerned with maintaining a large corporate employer in Manitoba, there would be justifiable action on his part, to at least make an inquiry, to see whether or not the Federal Minister shares any of his concerns. The Federal Minister, of course, comes from Toronto, which is the headquarters of the company that it's buying out and maybe he's quite happy to have that sale take place. But it seems to me that the Manitoba Government should have a different perspective and a different view on the whole thing.

I believe Mr. Thompson to be an excellent corporate citizen and a man of his word, but the Minister has indicated that the commitment has no time frame and it may well be that there will be other people involved in the corporation at other times in future who will have different views on it. So, I see the commitment as being without any particular term and I see the commitment as being not necessarily one on which Manitoba can bank and I also see this Minister and his government acting in different ways under different circumstances.

There are many times when they have gone running to both the Federal Government and/or corporations demanding that they take action to protect jobs in Manitoba and in this one, they seem to be strangely silent and I'm just pointing out the difference in approach and I just wonder why.

**HON. J. BUCKLASCHUK:** Well, again I will respond that I think we share the member's opinion of Mr. Thompson as a fine corporate citizen. We have his commitment; we have every reason to believe that he will follow through with his commitment. I might also mention that I have a copy of a letter here from the president of North American Life, Mr. McCaughey, I believe, and he states, "It is important to stress our commitment to keeping a major base of operations in

Winnipeg and to maintain an active presence and continuity of employment in your city." Now, when you have the very top executive officer within North American Life giving that type of commitment; when you have the senior executive officer within Monarch Life giving us the commitment; we will take them at their word. If things should change, then we will deal with the situation at that time.

**MR. CHAIRMAN:** 3.(b)(1)—pass; 3.(b)(2)—pass; 3.(c)(1) - the Member for Tuxedo.

**MR. G. FILMON:** Mr. Chairman, I wanted to ask the Minister, and I had mentioned it earlier in the discussion about - I suppose the status of his department's involvement with the Falcon Lake Resort and Club to begin with, and allying to that, the status of the legislation which was under preparation when our government left office that would presumably work to protect investors in time-sharing ventures?

**HON. J. BUCKLASCHUK:** First of all, I'll respond to where the Captran situation is at. As the Member for Tuxedo is no doubt aware, court action appointing a trustee was brought by the Canadian Imperial Bank of Commerce to protect its interest, I believe about two weeks ago. This court action was also brought to protect the interests of a number of lien holders who have claims under The Builders Liens Act.

Another point that should be known is that the Manitoba Securities Commission, at a meeting of January 27th, 1983, halted further sales of time-share units until appropriate insurance had been reinstated and the offering document updated by Captran to reflect the current financial position. There had been no new sales of time-share units for some weeks prior to the action on the part of the Securities Commission and the bank had been engaged in assessing its position relative to its loan before the commission took this step.

The trustee has been appointed by the court. He has sent notices to all unit holders convening a meeting and he's making every effort to ensure that their interests will be recognized by any new purchaser. I believe that meeting with the creditors was held last Friday.

The problem that the Falcon Lake project is experiencing stems from its inability to sell enough time-share units to make the project safely viable and I should also mention that the Securities Commission ordered a freeze order in the latter part of February to protect unit holders' trust funds and the trustee is now in a position to safeguard those trust funds.

With respect to where we're at with the time-share legislation, a new time-share regulatory scheme has been under consideration but such a new regulatory apparatus, if it is to expand to fully comprehensive proportions, will entail a not insignificant increase in government spending. As the member is aware, it's the desire to hold down unessential spending, and this has been a main factor in postponing the new legislation required.

One should also bear in mind that a considerable proportion of these time-sharing schemes are already covered to some extent at least, by the Securities

Commission under The Securities Act or under The Real Estate Brokers Act.

I should also mention that the only province that has time-sharing legislation in place at the present time is Alberta.

**MR. G. FILMON:** Mr. Chairman, I recall that we had sent staff members to Alberta to go over with the Alberta counterparts the legislation which they have in place. Can the Minister indicate to me what would be the estimated annual cost of having appropriate legislation in place to govern these time-sharing agreements?

**HON. J. BUCKLASCHUK:** I'm informed that the minimum would be in the neighbourhood of \$50,000.00.

**MR. G. FILMON:** How would that compare to the costs of having say travel agency protection legislation protection for those who deposit money on travel?

**HON. J. BUCKLASCHUK:** I believe I'd indicated the figure last week, would be in the neighbourhood of \$200,000 as a minimum.

**MR. G. FILMON:** And the government has other priorities that it feels are more appropriate for this money, like sponsoring Marxist Conferences at the University . . .

**MS. M. PHILLIPS:** Good try, Gary, good try.

**MR. G. FILMON:** It would go a ways towards the 50,000; I think if you give me enough time I'll find the other appropriate ones to cover 50,000.00.

**A MEMBER:** Good luck to you!

**MR. G. FILMON:** Well, I'm suggesting that if there is a risk there for investors that the government should be considering legislation that would minimize or make it much more difficult for people to be attracting investors without proper information, without proper protection for them. — (Interjection) —

**MR. CHAIRMAN:** Does the Member for Tuxedo have any questions?

**MR. G. FILMON:** Mr. Chairman, I'm sorry. I am being interrupted by the Member for Inkster who is cross-examining me across the table here. So I'll go on to the question that I wanted to ask, and that is, the Minister said that various types of transactions are covered by The Real Estate Brokers Act and The Securities Commission Act, which types of transactions, with respect to time-sharing situations, are not covered?

**HON. J. BUCKLASCHUK:** I was informed that there may be some issues in time-sharing that sort of fall between the cracks that are not covered under The Securities Act or under The Real Estate Brokers Act.

**MR. G. FILMON:** Mr. Chairman, if a Manitoban invests in time-sharing property outside the province or outside

the country, is there anything within Manitoba legislation that protects his interests?

**HON. J. BUCKLASCHUK:** I'm informed that the contract is outside the province, and we do not have any jurisdiction.

**MR. G. FILMON:** But if the property, or the share of the property, is being marketed in Manitoba, Manitobans are covered?

**HON. J. BUCKLASCHUK:** I'm informed that under The Real Estate Brokers Act that transaction would be covered if that selling is taking place within the province.

**MR. G. FILMON:** Conversely, if a non-Manitoban buys a share in a time-share property in Manitoba and the purchase is made outside the province, is he currently covered by anything in Manitoba legislation?

**HON. J. BUCKLASCHUK:** Yes.

**MR. CHAIRMAN:** Would the Member for Tuxedo repeat the question?

**MR. G. FILMON:** Let's say a person who is an investor in British Columbia or Saskatchewan, which doesn't have time-share legislation, were to purchase an interest in a time-share property in Manitoba, the purchase having been made in Saskatchewan, would he be covered by anything in Manitoba legislation?

**HON. J. BUCKLASCHUK:** I'm informed that if the person selling the real estate interest, if that transaction takes place within Manitoba, then that is subject to Manitoba regulation. but if it's done outside of the province, we have no extra-provincial jurisdiction.

**MR. G. FILMON:** How long will it be before the Minister foresees his government bringing forth this kind of legislation?

**HON. J. BUCKLASCHUK:** That depends entirely upon our ability to obtain some funds for the extra staffing that's required.

**MR. G. FILMON:** Mr. Chairman, I wonder if I can ask the Minister what is the current status of the Winnipeg Mortgage Exchange situation in Manitoba.

**HON. J. BUCKLASCHUK:** I understand, from a letter I saw a few days ago, that the first payout is being made to the investors at, I believe, 65 percent on the dollar, 65 cents on the dollar. There are additional assets under administration and further payouts will be made when the assets are liquidated.

**MR. G. FILMON:** I wonder if the Minister can indicate to me if he or his government have fired any of the former members of the Securities Commission in the past year.

**HON. J. BUCKLASCHUK:** I am informed that there have been no persons removed from the Securities Commission. I believe there has been one new addition.

**MR. G. FILMON:** Mr. Carson?

**HON. J. BUCKLASCHUK:** That is correct.

**MR. G. FILMON:** Have there been any additions to the staff of the Securities Commission in the past year or are there any contemplated for this year?

**HON. J. BUCKLASCHUK:** Yes, as you'll note from Page 28 of the Supplements, the number of SY's for 1983-84 is the same as last year's figure of 22.0. We may be adding one additional staff person. We have a submission into Treasury Board; that is yet to be determined whether that position will be filled.

**MR. G. FILMON:** What were the responsibilities of the additional position intended to be?

**HON. J. BUCKLASCHUK:** Yes, that position will be an Assistant Legal Counsel.

**MR. G. FILMON:** Have there been any difficulties with respect to licencing and regulation of real estate dealers, brokers and salespeople?

**HON. J. BUCKLASCHUK:** I'm informed that there has been nothing out of the normal in terms of the normal level of complaints.

**MR. G. FILMON:** I had a situation brought to my attention by an individual who went through and became licenced as a real estate salesperson and owned another business on the side in which he, I guess, spent part of his time, and he was informed by, I guess it would be, the Real Estate Association that he could not continue to be actively involved in that other business and continue to be licenced as a real estate salesperson. Is that the Minister's understanding and is that a legislative mandate?

**HON. J. BUCKLASCHUK:** It is not a legislative mandate, and I believe you had said that this had come about as a result of a decision of the Winnipeg Real Estate Association.

**MR. G. FILMON:** Does the Minister agree with that practice?

**HON. J. BUCKLASCHUK:** I would have to study the circumstances of this particular situation. This is the first information I've had on this.

**MR. G. FILMON:** As I understand it, the circumstances are that if you're licenced as a real estate salesperson, you cannot be employed in any other endeavour on a full or part-time basis.

**HON. J. BUCKLASCHUK:** I understand that this is a rule of the Winnipeg Real Estate Board and I don't know whether it would be appropriate for me to comment on that or not. The board is made up of members from the profession and it's a voluntary association.

**MR. CHAIRMAN:** The Member for Radisson.

**MR. G. LECUYER:** In view of this question, I would like to ask the Minister if there has been changes or if this has been the current and existing practice all along?

**HON. J. BUCKLASCHUK:** I'm informed it's an existing practice for a number of years.

**MR. G. FILMON:** Mr. Chairman, the Minister says that it's a voluntary association, does that mean that people can sell real estate without being members of the Winnipeg Real Estate Board?

**HON. J. BUCKLASCHUK:** Yes, they can.

**MR. G. FILMON:** In view of the fact that restrictive trade practices, in essence, come under this Minister as Minister of Consumer and Corporate Affairs, if people who are qualified and licenced to do something are restricted from being employed in that area by virtue of other conditions such as this of a voluntary association, would this not be considered a restrictive trade practice?

**HON. J. BUCKLASCHUK:** I understand that the Winnipeg Real Estate Board is a voluntary organization. There is no compulsory reason why a member would have to belong to that board, and therefore I don't see how his activities would be prohibited.

**MR. G. FILMON:** Can a person sell real estate if he doesn't work for a broker?

**HON. J. BUCKLASCHUK:** A real estate agent has to be employed by a broker.

**MR. G. FILMON:** The Minister is anticipating my question. If the majority of the brokers are members of that association, then wouldn't that mean that it would be difficult for the person to be gainfully employed as a salesman if most of the brokers are members of that association and he has to work for one of them?

**HON. J. BUCKLASCHUK:** Again, it's a matter of choice who one wishes to work for. I am informed that quite a number of brokers are not members of the Winnipeg Real Estate Board and therefore wouldn't prohibit that person from being actively involved in the profession.

**MR. CHAIRMAN:** 3.(c)(1)—pass; 3.(c)(2)—pass? - the Member for Tuxedo.

**MR. G. FILMON:** Mr. Chairman, I'm sorry, I was just going to ask under Other Expenditures what's generally covered in that.

**HON. J. BUCKLASCHUK:** Under Other Expenditures? The figure that you have is \$68,600.00. This involves professional fees, other fees, office furnishings and equipment, printing and stationery supplies, and there's a complete breakdown. You have it on Page 28 in your Supplement.

**MR. G. FILMON:** Okay. Pass, Mr. Chairman.

**MR. CHAIRMAN:** 3.(c)(2)—pass; 3.(d)(1)—pass? - the Member for Tuxedo.

**MR. G. FILMON:** Mr. Chairman, I was just waiting for other staff to come, but perhaps there aren't any additional staff?

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

**MR. H. ENNS:** Thank you, Mr. Chairman.

I notice that this is one of the few appropriations perhaps, as we go through the whole book, where we show an actual reduction. My question is of a general one. It would appear that there has been no indication to him to perhaps expand the operations of the board to include the regulation of future telecommunication services in the provinces. I, by way of background, simply indicate to him I'm well aware that this government has not proclaimed a certain legislation that foresaw the need for the Public Utilities Board to play a substantially larger role in the coming services which could involve pay television, extra services, a lot of them which would involve the Manitoba Telephone Systems network. I don't fault the Minister for not being aware, because I don't think he was in the House when the previous administration, in fact, passed legislation that designated the Public Utilities Board to play a substantive role in the regulation of these coming modern communication services.

I just ask the general question to the Minister, through you, Mr. Chairman, that with the no change in the status of the board in terms of salaries and other expenditure, indeed with some nominal decreases shown, can he confirm that the Public Utilities Board has not been instructed to gear up for that role? Should that Act be proclaimed by the government, the Public Utilities Board would have a whole host of new responsibilities in sorting out some of the obvious problem areas, the setting of rates between the monopolistic present cable carriers, as well as the introduction of new services, communication services, that was envisaged, perhaps somewhat optimistically, a few years ago when we talked about the, you know, the electronic city concept, Telidon, etc. etc., much of that having to do with the using the network of the Manitoba Telephone System which, of course, is regulated regularly by this board. If, in fact, that was the government's intention, this board would find itself with a lot more work to do and a considerably expanded role, you know, of expertise, staff, and time would have to be allocated to it. I'm simply asking the Minister, perhaps somewhat through the back door, whether or not he has received any information from his government that that role may still be foreseen as an appropriate one for the Public Utilities Board to be part of?

**HON. J. BUCKLASCHUK:** Yes, in answer to the comments made by the Member for Lakeside.

My understanding is that Bill No. 107 was passed a number of years ago. It has not been proclaimed, nor do I have any indication at the present time that there's any intention of proclaiming it in the immediate future.

Reference was made to the small increase or a decrease in expenditure in Estimates for this section. Part of the reason for the decrease was that in last

year's Estimates there had been a provision made for a vice-chairman, an associate secretary, and an administrative secretary as part of this Bill 107 package. We took that out of the Estimates this year feeling that if there was need in the telecommunications area to be done by the Public Utilities Board, this could be done by using consultants.

**MR. H. ENNS:** Well, Mr. Chairman, then perhaps just to ascertain the Minister's personal feelings about the future role that the Public Utilities Board could play in this area, would he not confirm that this is the appropriate board that should, as envisaged in Bill 107, though unproclaimed, be the board to regulate that important aspect of our future communication systems, bearing in mind that we have in the City of Winnipeg basically provided for two monopoly private carriers that provide our current cable services, who I'm told are anxious to get on with providing a host of other services to the people of the City of Winnipeg.

I take it that this government's attitude would be similar to the previous government's attitude that under those circumstances a board such as this should be prepared, both from the point of staff and funds, to adequately protect the consumer interest as these new services come on line, and particularly, in the provision of these new services, where they have to, in some instances, share the facilities of another public utility; namely, the Manitoba Telephone System.

It's in that whole question of what is, you know, an appropriate price, what are appropriate service charges for these services, and how can, on the one hand, the people of Manitoba through the vehicle of the Manitoba Telephone System receive a fair share of the anticipated new revenues.

I believe the Manitoba Telephone System has consistently indicated that there only hope of keeping basic communication services available to Manitobans at reasonable levels, is that they get an opportunity to share in some of the new revenues that are generated from these new sources.

It was for those reasons that a previous administration passed Bill 107, to set the stage for the introduction of these new services. I would urge the Minister to keep Bill 107 in mind. I appreciate that it's not his immediate responsibility to either push or promote for its proclamation, but if the bill should be proclaimed, then the Public Utilities Board will have a lot more work on its table and he may well be asking for some additional fund to carry out that responsibility.

**HON. J. BUCKLASCHUK:** Well, with respect to whether or not the Public Utilities Board could deal with the problem involved with telecommunications, I'm informed that the PUB at the present time does adjudicate cable rates as directed by Cabinet. There would have to be a question as to whether it would be financially defensible to set up a bureaucracy to deal with what I would consider at this time to be an unknown quantity. Certainly there will be issues arising in the future, but whether we would want to set up a bureaucracy of \$100,000 or \$150,000, \$200,000 to deal with a quantity that, at the present time, we can't gauge would be questionable. It may well be that it might be a better way to deal through the present arrangement

with the Public Utilities Board and to obtain the assistance of consultants to deal with the issue at that time.

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

**MR. H. ENNS:** Mr. Chairman, let there be no misunderstanding. There is no question of setting up an additional bureaucracy to look into that. It seemed to be very natural that the Public Utilities Board be the body to be involved in whatever kind of regulation may be required in the future. It would be the natural thing to acknowledge though that, with a new and expanded area of responsibility, the Board would have to be supported.

However, I won't press the matter. The issue is one that I intend to take up with the Minister responsible for Manitoba Telephones more directly as to what the future of Bill 107 is, but I just raise the matter here because I note that obviously, from the figures in this appropriation, there is no anticipation of future activity by the Public Utilities Board in this sector.

Thank you, Mr. Chairman.

**MR. CHAIRMAN:** The time being 4:30 p.m., time for Private Members' Hour, I am interrupting the proceedings until 8:00 o'clock this evening.

## SUPPLY - AGRICULTURE

**MR. CHAIRMAN, P. EYLER:** Committee come to order. We are considering the Estimates of the Department of Agriculture. The last time we met we had skipped over Item 1.(c)(1) which is Communications Branch: Salaries. Is it the will of the committee to go back and pick up the one that was omitted or to continue from 1.(d)(2)?

Mr. Minister.

**HON. B. URUSKI:** Mr. Chairman, first of all, I must apologize to the honourable members for my delay this afternoon. I can only say that the meeting I attended in Oak Bluff, I was unable to get away as early as I thought, and I owe the honourable members of the committee and of this House an apology for that and I give that to them directly.

**HON. L. DESJARDINS:** Buy a drink for the crowd, that will be all right.

**HON. B. URUSKI:** That might be considered after the Estimates are through.

Mr. Chairman, some of the questions that were raised with respect to Item 8, 1.(c)(1) with respect to the salary question within the Communications Branch, the increase over the '82-83 vote was \$95.1 thousand or approximately 25 percent. The '82-83 negotiated increase is \$39,000; the '83-84 negotiated increase is \$39.7 thousand; and the 27th pay period is \$16.4 thousand, making the amount \$95.1 thousand as covering that increase. None of the general salary increase in '82-83 of 991 was allocated to the Communications Branch because they didn't need it at the time, I'm advised.

**MR. CHAIRMAN:** The Member for Arthur.

**MR. J. DOWNEY:** Mr. Chairman, the opposition, I'm sure, understand that when a Minister is delayed - when we as Ministers had to ask for accommodation by the opposition when we were on that side of the House - and do accept the apology. However, I would wonder why his House Leader would not show him the courtesy or at least co-ordinate efforts and have called another item until he got back. I think there could have been certainly some leadership shown or at least some co-operation shown within their own Treasury Bench, and of course they're running the government and the province like they're running the committee hearings, Mr. Chairman.

As well, Mr. Chairman, I have a hard time understanding that the Minister of Agriculture attended this particular meeting today, which was sponsored by the National Farmers Union dealing with the Crow rate issue, when the Minister of Transport has been carrying that particular responsibility within their government. I would hope at some point in the next day or two, there would be a full explanation from the Premier or the House Leader of the government explaining why that particular situation developed in view of the fact that the Minister of Agriculture's Estimates were before this Assembly. Although seeing that he was there, unable to get back, I can appreciate the difficulty that he had in that regard, but that doesn't excuse the fact that his House Leader and that government were unable to co-ordinate themselves so that they could accommodate all members of this House and keep on with the business that is so important to the people of Manitoba. It has to be put on the record, Mr. Chairman.

The Minister, in his explanation for the Communications Branch salary increases has, I guess, been answered and it'll take me a little bit of time to check it on the record what he has said. However, there were some other questions dealing with staff and I would have hoped that the Minister would have had a list of those people who have been newly employed, those people who were both term position, permanent civil servants and contract people who have been relieved from their jobs or added to the agricultural staff. That was another question that I had.

I'll leave the specific increase in wages. My colleague may have some comments, but at this time I will reserve those until a later date.

**MR. CHAIRMAN:** Mr. Minister.

**HON. B. URUSKI:** Mr. Chairman, we didn't pass, I don't believe - yes, Thursday, we did not conclude. There is some information under the Manitoba Natural Products Marketing Council that I have for the members. When we come back, I'll give them that - give the Honourable Member for Morris those answers.

With respect to the questions of contract and those, we will have that information tomorrow for the honourable member on the entire department.

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

**MR. D. ORCHARD:** Mr. Chairman, I just want to get a few more details from the Minister on his rationalization of a \$95,000 or a 25 percent wage

increase in the Communications Branch. First of all, am I correct in assuming that there was no reconciliation in the left-hand column of the General Salary Increase? There was no allocation of the General Salary Increase to the Communications Branch?

**HON. B. URUSKI:** That is correct.

**MR. D. ORCHARD:** And the reason was that they didn't need it? Did they not get a raise last year, Mr. Chairman?

**HON. B. URUSKI:** Mr. Chairman, there were vacancies within the branch and there were vacant positions that didn't require the budgetary amount that was voted initially to cover off any funds that would have gone with the increase. They received the same increase in the same negotiated increase, but because of vacancies and positions that are in place, staff years that are in place, the full amount of any monies from the 991 did not have to be allocated directly to the branch.

**MR. D. ORCHARD:** The Minister indicated that there was a \$39,000 figure which represented the fiscal year '82-83 raise; a \$39.7 thousand figure which was the projected '83-84 raise; rough calculations would indicate that the 39,000 would be somewhere in the neighbourhood of 10.5 percent, fiscal year '83-84. It was my understanding that the first year of the settlement was in excess of 12 percent. Would that not be correct, Mr. Chairman?

**HON. B. URUSKI:** In the branch, Mr. Chairman, the average increase, the \$39,000 for the '82-83 average increase is 10.3 percent.

**MR. D. ORCHARD:** That seems to be somewhat less than the contract settlement by the Manitoba Government Employees Association. I believe it was somewhere in the neighbourhood of 12.5 percent.

The second question is, Mr. Chairman, the Minister, in his answers of Thursday evening last week, indicated that there would be three components making up the 95,000, namely, the unallocated salary increase from '82-83; the salary increase for '83-84, plus increments. Where does the Minister show in here increments which - are we to assume that no one in the Communications Department received an increment which, generally I think by average calculation, adds 1.5 percent to the salary package as an average throughout a Department. We are given here a 10.3 percent increase which, No. 1, does not reflect the full value of the first year settlement of the MGEA contract, nor does it reflect any increments which one would assume at least a portion of the staff in the Communications Branch would have received.

That same problem exists in the 39.7 thousand that, theoretically, is the wage increase outside of the 27th pay period for fiscal year 1983-84. Are we to assume that no personnel in Communications received increments last year and that they are not going to receive increments this year, or do we assume that the increments are going to be provided as an additional Supplementary Supply at some later date so that the Minister has underestimated his salary costs in all these departments?

**HON. B. URUSKI:** Mr. Chairman, what I have provided for the honourable member was the global amount of money that was included in the increases. What the member didn't speak about and is part of that figure and I gave it to him was the 27th pay period . . .

**MR. D. ORCHARD:** Yes, I did.

**HON. B. URUSKI:** . . . which was \$16.4 thousand. The honourable member should understand that, in terms of the merit increases, they are included within the amount of money that we have in here and, because of the vacant positions in the branch and the varying salary ranges and classifications that staff are in - when one talks about averages, while they vary because you have some out-of-scope or higher amounts, the increase, I believe, in 1982-83 was an average of 10 percent plus \$600.00. It would have taken varying percentages, depending on the classification and the staff level that individual is in. In terms of dollar terms, it may have increased more for those at the higher level, but what I've done is given the honourable member global amounts.

Insofar as to whether we will require any further amounts of money in terms of this year, I am advised that there will not be any additional funds required in terms of the present contract, in terms of merits and the total salary component this year.

**MR. D. ORCHARD:** Mr. Chairman, I am going to finish with this remark. The Minister has given us a 10.3 percent figure as being all that was required to bring the salary settlement for fiscal year 1982-83 to comply with the 10 percent plus \$600, plus the merit. Now all figures given by his colleagues, the Minister of Finance and the Minister of Labour, when they were talking about the MGEA settlement was that departments would average approximately 12 percent increase in wages. The general figure that is always bounced around as being an average for the merit increments is 1.5 percent on top of that, which would mean that we should see something in the neighbourhood of a 13.5 percent increase in salary for fiscal 1982-83. The Minister has got it down at 10.3 percent.

Now that may well be the case, but I suggest the problem gets a little more tenuous when we consider that the Minister is giving us a \$39.7 thousand increase, being sufficient to cover the second year of the MGEA contract plus increments, and that settlement comes out to be somewhere in the neighbourhood of - it would have to be somewhere between 9 percent and 9.5 percent on a percentage basis, where we know that the MGEA settlement is 10.3 percent. Merit increases of 1.5 percent would bring us close to 12 percent, but yet the Minister has us believing that it's underbudgeted by some 3 percent.

I simply ask the question again, can the Minister assure us that he is not going to be going back to the Cabinet table and to Treasury Board after the Session finishes to have a Supplementary Supply passed to cover approximately a 2.5 percent to 3 percent salary shortfall. We have made the allegation in the Budget Debate that the Minister of Finance has, once again, underestimated his expenditures in the government for the fiscal year, 1983-84. It would seem here clearly,

that this Minister has underestimated his salary costs. They don't reflect the current settlement plus increments that all members of the Treasury Bench are indicating. If he is coming back for Supp. Supply, so be it, but we would like to get that indication from him now so that we can have a better idea in each department how much more money this Minister is going to require to pay salaries.

**MR. CHAIRMAN:** The Minister of Finance.

**HON. V. SCHROEDER:** Mr. Chairman, I have been listening with a little bit of amazement to the Member for Pembina. His arguments certainly don't accord with the facts, but that's not strange for him . . .

**MR. D. ORCHARD:** Give us the facts, then.

**HON. V. SCHROEDER:** . . . he starts off by saying, the numbers are too high. He ends off by saying, they are too low, and what brings me into the debate is the matter of somehow misjudging numbers for last year because that is beginning to annoy me. The facts, Mr. Chairman, are very clear.

Under the previous government, when the Member for Turtle Mountain was Finance Minister, there was a much larger discrepancy between what they said they were going to spend and what they did spend than what happened last year. I remind the Member for Pembina that last year, we had Special Warrants, for instance, in the area of \$45 million. When you people were in government, in your last year, you had \$105 million in Special Warrants which were items which you go ahead and spend beyond what this Legislature had approved.

Last year we had, as far as our latest projections are concerned and I've handed out the December report, the Quarterly Financial Report of the Province of Manitoba to December of 1982, and I would recommend to the Member for Pembina that he spend some time reading that document because it deals with projections and what actually happened. Mr. Chairman, if we look at the Statement of Expenditures for the first nine months of the year, because that's what we can only deal with for last year, and I refer to Page 3 of that document. For 1981-82, the year the Tories were in government, there was a projected figure of \$1.832 billion, actual \$2.150, increase 317 million. The next year, 1982-83, expenditures 2.150 . . .

**MR. A. ANSTETT:** Mr. Chairman, on a point of order.

**HON. V. SCHROEDER:** Mr. Chairman, I am dealing with the matter that was raised by the Member for Pembina.

**MR. CHAIRMAN:** Order please. The Member for Springfield on a point of order.

**MR. A. ANSTETT:** Mr. Chairman, I didn't catch everything the Member for Pembina and the Member for Arthur said. I know they were talking about Communications within the Department of Agriculture, but I think, with respect to the Minister of Finance, he's talking about the overall financial position and

expenditures of the province and we're going to get into a precedent here for a cover-the-waterfront debate by the Minister of Finance which I am not sure is in the best interests of getting the Estimates of Agriculture passed.

**A MEMBER:** For once, you're right, Andy.

**MR. CHAIRMAN:** The Minister of Finance.

**HON. V. SCHROEDER:** Mr. Chairman, I can assure the Member for Springfield that the item I am referring to includes information within the Department of Agriculture. That was part of the spending for the first nine months and it was part of what the Member for Pembina was referring to, but I certainly do thank the member. As a result of his intervention I will try to keep my remarks, with respect to information in agriculture, short.

Mr. Chairman, I want to emphasize the fact that our spending for last year was much much closer to our original projections than what it was in 1981-82. That was the issue raised by the Member for Pembina. That is the issue that I now wish to respond to because it is untrue and I wish the member would stop referring to it because he should himself know that it's untrue and he can refer to the documents that prove it.

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

**MR. D. ORCHARD:** Thank you, Mr. Chairman. Could the Minister of Agriculture indicate what percentage of increase the \$39.7 thousand on salaries for fiscal year 1983-84 represents and does that percentage include merit increments?

**HON. B. URUSKI:** Mr. Chairman, that amount of the \$39.7 thousand, on an average 9.5 percent in terms of negotiated increase will include, in the total complement of staff within the branch monies to cover increments primarily because there are vacancies within the branch and if those vacancies are not covered we do not anticipate in requesting any further funds this coming year as far as salaries or any other salary increments.

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

**MR. H. ENNS:** Mr. Chairman, I'd like to talk just generally for a moment or two about the Communications Branch and its requirement to inform, and I do so because the New Democratic Government from time to time has had difficulty in distinguishing between the responsibility that a government has from time to time, or in this case the Department of Agriculture and the Minister of Agriculture has to inform the rural people, the farm people of Manitoba about the various programs that he is charged with the responsibility administering and seeing to it that the farmers understand them, that they have access to them and that communication is indeed appropriate.

Allow me, Mr. Chairman, to quote from the Wepler Report on Communications which points out that governments are different. The things they do, the way in which they do them, the decisions they make, the

services they provide affect the way we live in a very basic way. People actually need the information that governments generate and governments have an obligation, freely and constantly stated, to make it available to them.

Now, you can translate that in this case, the Department of Agriculture has that obligation. The farmers have a right, the rural people have a right to know the kind of programs that the Extension Department is providing, the kind of programs that the 4-H Department is providing and so forth. I'm assuming and I make that as a general statement as the responsibilities that come under the Communications Branch in providing that kind of basic information to the farmers of Manitoba, Mr. Chairman, what is not an appropriate use of this branch is to use particular points of view that are held by the New Democrats or by, let's say, the National Farmers Union from time to time and then use this branch and to use public money for the spreading of that kind of information.

Now, Mr. Chairman, I'm cautioning this Minister who's relatively early in his career as Minister of Agriculture in this government, but I remind him, that wasn't always the case. In the previous NDP administration we all of a sudden found extensive public monies used to promote, for instance, very specific points of view that they held as a party, for instance, that rapeseed should come under the direct control of the Canadian Wheat Board. Now, Mr. Chairman, that may or may not be the case. Farmers have different points of view on that out in rural Manitoba. But it is not an issue, it's a political position that I have no objection to if the New Democrats want to take that. I do object when monies are expended under this appropriation for that kind of purpose.

Mr. Chairman, the same thing can be said about the kind of monies that were expended by the New Democrats with respect to a position that they held on the Crow and they printed very fancy publications, they took out ads in the farm papers and, Mr. Chairman, the issue of the Crow is a very complicated one. There is not unanimity, obviously, in rural Manitoba and until there is unanimity — (Interjection) — unanimity was created. A resolution was brought into this Chamber; it was supported by the New Democrats; it was unanimously passed in this Chamber and ergo some advertising went out on that particular question. It's in that way that I suggest, Mr. Chairman, the appropriate ways of spending money ought to be undertaken under this communication.

We have, Mr. Chairman, now adopted in this Chamber unanimously a position on the Crow as far as the Manitoba Legislature is concerned and I take no objection if the Minister, subsequently to that action, wishes to inform Manitoba farmers as to what that position is; what the position of the collective wisdom of the 57 legislators in this Assembly is on that point, but I take issue when as on previous occasions a particular party position is being put forward through the expenditure of these kind of public funds.

I suggest, Mr. Chairman, that we will be vigilant in watching the expenditures that this Minister makes under this Communications Appropriation. We expect him to keep our farmers informed through our Extension Branch. We expect to keep all our rural populations informed through the good works done by our home economists, by our 4-H leaders and by the important

news that is helpful to farmers from time to time that comes out of our research efforts, but not to be used in a political way to politicize a particular point of view. That's not the appropriate use for public dollars to be spent.

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

**MR. D. Orchard:** Thank you, Mr. Chairman. To elicit a little more information from the Minister, when we peruse all of the Salary Estimates, the Minister has told us that in the particular line of communications that there is a 9.5 percent increase including increments and he has got that twisted around because there are some vacancies, etc., could the Minister tell us what is the salary increase which has been allocated in percentage terms for fiscal year 1983-84 in preparation of the salary lines throughout his Estimates?

**HON. B. URUSKI:** Mr. Chairman, generally it's 9.5 percent.

**MR. D. ORCHARD:** Could the Minister further indicate where the 9.5 percent figure comes from and whether that includes increments in all cases to be contained within the 9.5 percent or are increments above and beyond the 9.5 percent?

**HON. B. URUSKI:** What the member is requesting, as to whether or not in every line everywhere, the global salary package within the department should be sufficient enough to cover the salary increase and any increments' bearing in mind any vacancies that are within the department. When I speak of global amounts that's how I give the honourable member the information.

If he's asking for some very specific line-by-line information I cannot give it to him because of the way the budgeting process is.

**MR. D. ORCHARD:** Well, Mr. Chairman, the Minister does not give a satisfactory answer.

When he is preparing his salary Estimates from '82, '83, to fiscal year '83-84, and he has 20 staff positions in communications as an example, what percentage of increase in salary as awarded by the MGEA contract is he applying to those salaries? No reference to vacancies which are another issue, and I also want to know within the percentage he applies, does that include increments? It's a very simple question. His staff have that answer. They have used a percentage figure from the MGEA contract to determine a projected expenditure of salaries. If the Minister can't provide that then I don't know how he undertook his Estimate process.

**HON. B. URUSKI:** Mr. Chairman, what the honourable member neglects to realize is throughout the service there are staff at various levels. There are also vacancies in those levels.

Where there are maybe vacancies at certain levels you would not require a merit increase because the staff is there and the position may be filled sometimes during the year. Those monies that are allocated to vacant positions would be used to offset any other increases in terms of merits in other areas.

I've given the honourable member the figure, on the gross basis. We have allocated approximately 9.5 percent on a global basis to cover salary increases within the department, and bearing in mind that staff who are out of scope are at the \$1,000 for senior officers and the like, and staff at the lower echelons are receiving more and it's balanced out by the average figure.

That's all that I can give the honourable member, is, how does that relates to the entire department and including all salary costs, including the 27th pay period, including the two increments, those are the figures that I've provided the honourable member. I don't know how I can relate in any other terms than what I've given him. I've tried to give him the calculations, which we've done. It's to provide him how did we rationalize that 25 percent ostensibly in that one branch. We've done that, I don't know what else I can provide the honourable member.

**MR. D. ORCHARD:** Well, then simply, Mr. Chairman, if I can interpret what the Minister is saying:

The 39.7 for '83-84 represents 9.5 percent increase on a global basis. That includes increments where merit increments are to be forthcoming. The 27th pay period is entirely above and beyond that.

**HON. B. URUSKI:** For that branch generally that is correct.

**MR. CHAIRMAN:** 1.(c)(1)—pass; 1.(d)(1), Manitoba Natural Products Marketing Council, (1) Salaries.

The Honourable Member for Arthur. Mr. Minister.

**HON. B. URUSKI:** Mr. Chairman, the other evening the Honourable Member for Morris asked a number of questions as to active producers and the number of people on waiting lists under various commodity boards.

Mr. Chairman, for eggs there are 245 active producers, none waiting on the list for quotas; broilers, there are 112 active producers, 102 on the list waiting for quotas; turkeys, there are 86 active producers, 45 on the list for quotas; milk, there are 1,221 active producers, 22 on a waiting list for quotas; a large number on the waiting list are active producers wishing more quota, and about 20 percent of those are new producers. So a good percentage of that amount are existing producers.

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

**MR. A. DRIEDGER:** Thank you, Mr. Chairman. I wonder if the Minister could clarify the milk producers - he indicated there was 1,221 current producers and that 22 applications for, would this be for new set-ups, certainly not for additional quota?

**HON. B. URUSKI:** Mixed.

**MR. A. DRIEDGER:** The 22 includes the total application of people who wanted additional quota?

**HON. B. URUSKI:** Mr. Chairman, I am advised that is the numbers of producers on the waiting list. And a

large percentage of that are existing producers requesting additional quota about, somewhere on an average we've determined, on the basis of information that has been provided to us, an average of about 80 percent of those requests, or thereabouts, it may vary from commodity to commodity, but an average of about 80 percent are existing producers requesting more quota and about 20 percent are new producers.

**MR. A. DRIEDGER:** Well, Mr. Chairman, to the Minister. I will check those figures, but in contacting the Manitoba Milk Producers Marketing Board, not that long ago, I was under the impression there was close to 400 dairy farmers that were waiting for additional quota. This seems to be a great variance.

I'm sure the Minister knows the difficulty in the dairy industry right now where there is, with the 1 percent cutback that they have, many of the producers are looking for additional quota and I beg to differ about that 22 producers. Certainly there must be many, many more because in my area alone I can indicate to the Minister maybe 50 of them that are waiting for more quota and have applied.

**HON. B. URUSKI:** Mr. Chairman, I don't dispute that from the honourable member. The figure that's been calculated for us is not an easy one in terms of strict numbers of producers to supply to the honourable member but there is a, of that 22 figure, I believe - I'm going from memory - that those are new producers waiting for quota in terms of the milk industry. There are, as the honourable member says, many producers across the province practically I think if you spoke to every producer, because of the cutback in the national quota, that everyone would be desirous of receiving more quota based on their production.

However, in terms of numbers requesting, those are the numbers that have been provided to me. Now, we can go back and check them further as to exactly what they are meaning, and we can do that and I can come back to the honourable member at a later time.

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

**MR. J. DOWNEY:** Mr. Chairman, dealing with the Natural Products Marketing Council. The Minister the other evening committed himself to giving us the names of employees of the Manitoba Beef Commission, the Commissioners and all the inspectors, everyone who worked for the Manitoba Beef Commission. I would hope he'd be able to provide that for us today or tomorrow possibly.

**HON. B. URUSKI:** Mr. Chairman, in terms of, I recall the honourable members opposite wondering where we should discuss the Manitoba Beef Commission and if the member would like that information, we agreed, I believe, that the entire discussion on the Beef Commission will be discussed on Resolution 16, on Page 16 of our Estimates. We can make sure that information is available at that time and we will have it ready for him. I'm pleased that he raised it.

**MR. J. DOWNEY:** That's acceptable, Mr. Chairman, if the Minister will provide the names of all the

Commissioners, all the employees in the Manitoba Beef Commission, inspectors, the total block of people that work within that department.

One of the major concerns that I have from the comments made by the Minister the other night, Mr. Chairman - I'll ask the Minister directly today - but in view of the fact that when we got into office, the Manitoba broilers were desperately anxious to sign up under the National Broiler Agreement in Canada and there was a reluctance to do so by this particular Minister. He wasn't the Minister of Agriculture, but he was currently a Minister in the same government as the Member for Lac du Bonnet when he was the Minister of Agriculture. What he told us the other night, Mr. Chairman, and I think it's very important that the broiler producers know this, that he is now prepared to - indicated in Hansard - withdraw that Broiler Producers' Organization from the national agency. He is indicating to this Assembly and to the producers of Manitoba that is preparing to withdraw the Manitoba broilers from the National Broiler Producing Agency.

If that's not correct, I would think he should clear his statement up, Mr. Chairman, because it is very much understood to me, as it's pointed out in Hansard, that in fact he is prepared to withdraw the Manitoba broiler industry from the national marketing of broilers in this country. It's on the record, Mr. Chairman. He said, in fact, they may have to go that far as to withdraw from the national. I say this in light of the background, Mr. Chairman, that he didn't want to sign it to start with, he didn't want to sign it to start with, Mr. Chairman, and now he's saying, they may have to withdraw from the national program.

Mr. Chairman, that is a fairly serious statement to make in Agriculture Committee, that he is in fact leaning in that direction. I think the Manitoba broiler producers would want to get very quickly activated and get representation made to this Minister to find out precisely why he wants to take that action. Maybe he should rethink what he is suggesting may happen to this committee.

As well, Mr. Chairman, and I want a clear answer from this Minister, he has indicated that if there were a reduction in incomes for the stabilized commodities that he is now involved in, both pork and beef, that if there was a reduction in price to the point where they, as a government - and remember, they, as a government, determined that they couldn't put enough money into it - then in fact they would go to supply management. I ask the Minister precisely, does he support supply management in the hog industry and does he support supply management in the beef industry or a national meat authority as espoused by the National Farmers' Union? Could the Minister clarify those policy issues, Mr. Chairman?

**HON. B. URUSKI:** Mr. Chairman, I will be very brief. My statements dealing with the broiler industry were in the context - and the member can twist and speak about the words all he likes - of the negotiations presently going on. I said, may, and I prefaced it with "may" because of the difficulty that other groups have gotten into in the use, within the criteria, for market share within this country that other issues, other than comparative advantage, were the overriding factors to

market share. I stand by that statement, that comparative advantage - and in fact, the Member for Morris lauded the former administration for pushing that one aspect into legislation and making sure that it was there.

My comments, and if they're interpreted any other way, I leave that for the honourable member. My comments, if he is misinterpreting them, and it appears that he is, are as such, a misinterpretation of what my comments are. They are in light of the present negotiations that are going on and our commitment to the use of comparative advantage as the overriding aspect for any future renegotiation and expansion of market share within this country.

With respect to the matters of supply management in beef and hogs, Mr. Chairman, my statements are on the record very clearly.

**MR. J. DOWNEY:** In other words then, Mr. Chairman, the Minister is saying that all the noise and all the accusations that he made when he was in opposition when we signed the National Broiler Agency were totally false; that he in fact supported what we did, but stated publicly for political reasons that was not the case. — (Interjection) — He can't have it both ways, Mr. Chairman. He can't have it both ways. He gave us a lot of action at the time of us signing that national agreement to protect the interests of the broiler agency - and, by the way, Mr. Chairman, he has a situation that he has to deal with because he has 112 broiler producers and 102 waiting. He should be dealing with that particular situation, but the point I want to make right now on the Natural Products Marketing Council that his accusations made against us were false when we signed the National Broiler Agreement and, if not so, Mr. Chairman, then he now is considering - and it backs up what he said the other night - there may be a possibility of him considering pulling the Manitoba broiler producers out of the national organization.

**HON. B. URUSKI:** Mr. Chairman, my remarks on the discussions dealing with the broilers is a present problem and they are in negotiations. The honourable member can read into those remarks what he likes.

The honourable member should remember our opposition, as a government at the time, was not to what he is speaking about now. It was to the point that the bulk of the industry was basically controlled by a half-a-dozen commercial operators within the province. The plan that was brought in basically put into perpetuity a marketing board for a small group of commercial operators. That was the original opposition to the plan, nothing to do with the issue that is under discussion now in terms of market share. I imagine it has some implications there but, Mr. Chairman, specifically, the honourable member again, really I'm not sure that he knows what he is talking about.

**MR. J. DOWNEY:** In view of the Minister's answer, Mr. Chairman, is he now telling us that he is going to correct that problem and take some of the quota away from the larger producers of broilers in Manitoba and spread it up amongst the smaller producers and accommodate some of the 112 that want in. That's precisely the question at this point.

**HON. B. URUSKI:** Mr. Chairman, I can't answer that at this point in time at all. No one knows what the recommendations from the Broiler Board will be and how this matter should be handled. At this point in time, there are probably a number of alternatives that could be examined. I can't give the honourable member an answer at this point in time.

**MR. J. DOWNEY:** Mr. Chairman, this Minister has no agricultural policies of his own. He is unable to deal with the Agriculture Ministry in a responsible way.

Dealing specifically with his answer on the second point that I raised, Mr. Chairman, he responded saying that his thoughts or his comments are clear on the record of whether or not he would suggest or support hogs and beef being put into a supply management system. As I understand his comments, if in fact the prices were to be lowered and this province were not to be able to continue on and withstand the stabilization costs, that he would in fact favour hogs to be put into a supply management program. That's how I interpret what he has said, Mr. Chairman, and he shrugs as if yes, that is correct. So in other words, we interpret that he supports the supply management for hogs and beef, Mr. Chairman . . .

**HON. B. URUSKI:** On a point of privilege, my gesture by my hand remarks was that, if you want to interpret that way, I can't stop you from interpreting it. This government's record and my statements are on record in terms of where we stand vis-a-vis this issue and have been published from, I believe, east to west across this country in terms of conferences we have held, they've been published in statements. In fact I've made public statements in Manitoba, they've been published. If the honourable member wishes to put a different approach to them, that's up to him.

**MR. CHAIRMAN:** The Member for Arthur.

**MR. J. DOWNEY:** Mr. Chairman, I would invite the Minister to table what those positions are, whether hogs or beef should be put in supply management, because our position is very clear on this side of the House. The Progressive Conservative Party does not support the move to put beef or hogs into a supply management system and I have yet to see this Minister of Agriculture come out with a clear policy statement in this regard, Mr. Chairman, that's all I'm inviting him to do. If he's unable to do it, as I say, he has no policy direction for the province in the Agricultural Department.

**MR. CHAIRMAN:** 1.(d)(1)—the Member for Swan River.

**MR. D. GOURLAY:** Mr. Chairman, I wonder if the Minister could indicate what changes have taken place in the last year with respect to the appointments to the Manitoba Natural Products Marketing Council.

**HON. B. URUSKI:** Mr. Chairman, that list was provided the other night in terms of changes and who's on the board. That was presented at our last meeting, as to who is new on the Natural Products Marketing Council.

**MR. CHAIRMAN:** The Member for Arthur.

**MR. J. DOWNEY:** I rise on a point of order, Mr. Chairman. I don't believe we have a complete list of all the commissioners. — (Interjection) — The question, as I hear it from my colleague from Swan River, he wants the names of all the commissioners on the Natural Products Marketing Council. We do not have that, Mr. Chairman.

**HON. B. URUSKI:** Mr. Chairman, the Chairperson of the Council is Dr. Art Wood, A.W. Wood; the Vice Chairperson is Maude Lelonde and other members on the commission are Arnold Eadie, Morris Rachelis and Ray Spencer. Ray Spencer is on the board - I'm just trying to think - I think that's the list, Mr. Chairman.

**MR. D. GOURLAY:** Mr. Chairman, I wonder could the Minister indicate how these members are picked. Are they picked for their expertise in various commodity groups, or are they just picked because of their political affiliation and support of a party?

**HON. B. URUSKI:** Mr. Chairman, these Manitoba citizens are picked in the hope that their knowledge of agriculture and expertise in general terms will represent the views and thinking of the government.

**MR. CHAIRMAN:** The Member for Morris.

**MR. C. MANNES:** Thank you, Mr. Chairman. I thought my questions were exhausted, but I would ask the Minister if one of the new appointees to the Natural Products Marketing Council, if indeed, one of the individuals so-named also handles the position as inspector with the new Manitoba Beef Commission.

**HON. B. URUSKI:** Mr. Chairman, I'll have to take that as notice. That is correct, in terms of being a casual inspector that individual is one and the same.

**MR. C. MANNES:** Excuse me. Does the Minister see any impropriety there in as far as a conflict of interest?

**HON. B. URUSKI:** Mr. Chairman, it's possible if there's an appeal in terms of the inspection of the numbers of cattle because that's all that the members are involved in. It's a possibility, I admit it.

**MR. C. MANNES:** Well, Mr. Chairman, to be more specific, does the Minister see some impropriety in the case where the individual in question may be the inspector and then the individual that may feel aggrieved, the farmer, wants to make an appeal to the very same body in which this individual is now sitting as a quasi judge.

**HON. B. URUSKI:** Mr. Chairman, I would expect that in cases where, if that eventuality would occur and if this should occur, that the member absent himself as normal from any decision-making power on the commission and that the commission handle it, without the presence of the member being there in terms of the decision.

**MR. C. MANNES:** Mr. Chairman, I would ask the Minister then if he would be as concerned about the

potential of that type of situation arising with some of us and secondly, whether he would issue further guidelines to take care of a situation like that, or indeed, whether he would consider revoking that particular appointment.

**HON. B. URUSKI:** Mr. Chairman, those kinds of guidelines are there and I will reissue them as well.

**MR. CHAIRMAN:** The Member for Arthur.

**MR. J. DOWNEY:** Mr. Chairman, I was practically through with this particular part of the Minister's Estimates until my colleague has asked certain questions. As well, Mr. Chairman, I was quite prepared to wait until we got to the Beef Commission to debate, as the Minister had agreed, to give us the names of those individuals involved, however, it was for another reason. He did not want to disclose the fact, Mr. Chairman, that one of the Natural Products Marketing Council commissioners is as well an inspector on the Manitoba Beef Commission, and this Minister of Agriculture will allow that type of Conflict of Interest to directly take place under his administration?

**HON. B. URUSKI:** What kind of conflict?

**MR. J. DOWNEY:** Well, Mr. Chairman, he says what kind of conflict? Mr. Chairman, we now have and let me paint the picture, we have an inspector who's hired by a Beef Commission, which the only appeal that the farmer has — (Interjection) — if that inspector unjustly treats a producer, the only appeal that producer has is to the Natural Products Marketing Council. So let me paint the picture, Mr. Chairman, in case the Minister doesn't understand it.

He makes a judgment call on that farmer; the farmer is unsatisfied; he then appeals to the Natural Products Marketing Council, who is sitting in judgment on him, Mr. Chairman, but the very person that has given him the charge to start with. No, Mr. Chairman, I didn't blow it. — (Interjection) — No, no, you've been sucked in, Mr. Chairman, and the Minister.

I demand right now, Mr. Chairman, that this Minister either revoke, as has been suggested by the Member for Morris, revoke that man - who by the way his record is - he's the Vice President of the NDP Association. There's another one that I think should be brought into question, not that I suggest that having a political membership is wrong, but we now have the inspector passing judgment on any farmer in Manitoba and he's directly associated with the New Democratic Party, carrying - has been the Vice President or has been a candidate for how many years and running in the constituency in the Western Region of Manitoba.

Well, Mr. Chairman, I think this Minister better give us a clear indication right at this sitting, right at this particular time, whether he's either going to revoke him as a Natural Products Marketing commissioner, or remove him as an inspector under the Manitoba Beef Commission. We will not allow, Mr. Chairman, this committee to proceed with his activity until justice prevails in the farm community and let the Minister respond to that. He can wiggle and fudge all he likes. We now have a past candidate for the New Democratic

Party, the President of the New Democratic Party Association . . .

**A MEMBER:** Who was a candidate?

**MR. J. DOWNEY:** . . . Mr. Spencer. If he wasn't, I'm sorry, I'll withdraw that, but I won't withdraw that he's the President of a known NDP Association. Do you want me to withdraw that? I won't withdraw that, but I'm telling you, Mr. Chairman, this Minister better clarify whether he's going to revoke him as a councillor or remove him as an inspector. — (Interjection) — Well, the Member for The Pas says, no. He believes that farmers should be judged by someone who passes a sentence on him. No, Mr. Chairman, this is a direct concern of this caucus brought to the attention of this committee at this time. You know, the Minister better take action to change it, or I can tell you there'll be a lot more action on his shoulders coming not from this opposition but from the total farm community, Mr. Chairman. I want the Minister's response, whether he's going to revoke that commissioner or whether he's going to remove him as an inspector.

**HON. B. URUSKI:** Mr. Chairman, the honourable member appears that either he really doesn't know what he's talking about. First of all, he said that individual was a candidate; I don't believe he was. He also indicated that individual was the vice-president of our party; I don't believe that is accurate either. — (Interjection) — Well, maybe in the constituency, Mr. Chairman, that may be. I'm not sure what he's saying. But let's understand what those inspectors are doing, and the Member for Morris at least was, I would say, cute enough to remove himself from that kind of innuendo and dredging that the Member for Arthur is prepared to stoop. Mr. Chairman, the . . .

**MR. J. DOWNEY:** We want to know whether you're going to remove him from one job or the other, that's what we want to know.

**HON. B. URUSKI:** Mr. Chairman, the inspectors under the Beef Commission are there to do one thing and one thing only as to . . .

**MR. J. DOWNEY:** Who does a farmer appeal to?

**HON. V. SCHROEDER:** Shut up.

**MR. J. DOWNEY:** Are you telling me to shut up?

**HON. B. URUSKI:** Mr. Chairman, if the honourable member is so warm and so worked up, maybe he should take a shower and cool himself off and then we can get back to the debate.

Mr. Chairman, the seven inspectors that are there are on a casual basis doing one thing and one thing only, verifying the numbers of cattle that have been registered under the Manitoba Beef Commission, at which time when the numbers are counted or calculated the farmer is there during that inspection and witnesses and signs the document indicating that the Beef Commission inspector was there and the verification of numbers are there, and both of the individuals sign

that document to make sure that the numbers of cattle are accurate. That is what is happening, Mr. Chairman.

Mr. Chairman, I've told the honourable members what could happen if there is a dispute or if there should be a dispute. The farmer, of course, if he doesn't agree with the decision in terms of that inspection doesn't sign the form. The fact of the matter is, I've said that if there should be an appeal - and what are we talking about? We're talking about whether or not the numbers are accurate, Mr. Chairman, that is the sole role of the commission people.

Mr. Chairman, I have indicated what process is in place at the present time and it will be carried on. I do not expect and I would not expect anyone, because there are many individuals that may be appointed to boards who could ostensibly be, for example, people from the processing industry are appointed to from time to time on matters dealing with the milk industry. As an example, there could be a potential conflict of interest there as well by having those kinds of individuals there, Mr. Chairman. There could be producers who raise commodities that from time to time come before the board. — (Interjection) — Ah, Mr. Chairman, now the Honourable Member for Morris talks about a differential of industry conflict, not vis-a-vis farm conflict. There is no difficulty. I've explained to the honourable member what the role of those inspectors are and how it would be handled. Obviously, the Member for Arthur doesn't understand as well as the Member for Morris understands the roles of these people. I wish he would clue him in.

**MR. J. DOWNEY:** A question directly to the Minister, is he going to remove that individual either as a commissioner on the Natural Products Marketing Council or as an inspector of the Beef Commission?

**HON. B. URUSKI:** Mr. Chairman, the roles of those inspectors are temporary in nature. Once those inspections are done, those functions of those individuals will have ended.

**MR. J. DOWNEY:** Well, Mr. Chairman, because they are temporary in nature, will the Minister give this committee the assurance that he will move, directly in leaving this committee at 4:30, to have that person removed as an inspector and find someone else who does not have a conflict the way that individual has?

**HON. B. URUSKI:** Mr. Chairman, I have given the honourable member the answer dealing with what I see as the handling of any potential conflict.

**MR. J. DOWNEY:** Mr. Chairman, I take that as not moving to correct a situation which could in fact cause some very difficult situations for farmers who will be put in judgment, and if that is the way this Minister believes that he should administer his department and that the Pawley Government wants to go on record as dealing with people, then it stands on the record and they will have to live by that. But I would ask, I would plead with the Minister, that he remove that individual as an inspector immediately so that type of situation couldn't develop.

**HON. B. URUSKI:** Mr. Chairman, I will expect of any member of any commission and board that I appoint

that should there be ever the situation arise that there may be a potential conflict that any of those members participating in the decision-making will absent themselves from making those decisions and being involved in those decisions. That is, as a matter of policy, what I expect members to do, because, Mr. Chairman, there may be — (Interjection) — I refuse to get myself dragged into that kind of a debate.

**MR. CHAIRMAN:** The Member for Roblin-Russell.

**MR. W. MCKENZIE:** Now, Mr. Chairman, I'd like to express my concern and the concern of my people in the constituency of Roblin-Russell regarding the appointment of Mr. Spencer. I don't think we have any problems at all with Miss Lelonde. She's earned her rights, her privileges and her experience in the political arena and she's worked hard for her political beliefs for many many years. But, Mr. Chairman, I have to take exception to the appointment . . .

**HON. B. URUSKI:** Get yourself out of the gutter, Wally. You know better than that.

**MR. W. MCKENZIE:** Certainly he's president of the New Democratic Party in Birtle-Russell, I have no quarrel with that ever, but appointing him to the National Products Marketing Board and also as an inspector in the Beef Commission is absolutely uncalled for. The reasons are quite simple, because this is our No. 1 industry in this province, it's agriculture. Let's give agriculture a half a chance, Mr. Chairman, because Mr. Spencer certainly is a field officer of the Beef Marketing plan, that's been assured. Mr. Chairman, he can inspect any farmer's operation who is in that particular plan. He certainly can, he's an inspector. Well, he says, he can't. What authority has he got?

Another thing, Mr. Chairman, should that particular farmer, any farmer wish to appeal a decision that Mr. Spencer might make, he'll have to appeal to the Natural Marketing Board to arbitrate the case and that's absolutely unfair. Wouldn't that put Mr. Spencer, himself, in a most intangible position of being both the prosecutor and the judge? I don't think agriculture needs those kind of appointments in our province. Surely, the Minister will reconsider and take another look at what he's doing to our industry in this province. It's absolutely unbelievable.

**HON. B. URUSKI:** Mr. Chairman, I ask the honourable member, do they have any proof that this individual is in a conflict of interest? Do they have any instances which they are alleging — (Interjection) — Mr. Chairman, I didn't hear, maybe the Honourable Member for Gladstone has some proof. I would ask the honourable members to either put their evidence on the table and I am prepared to move in that respect, Mr. Chairman.

I have told the honourable members what I feel about my appointment to any commission, but I say to them, you have the information, give it to me and I am prepared to act on it, but don't start going the way you have been going, of getting yourselves into the gutter continually about individual members of any commission.

I have never done it and I will tell you that if any of our own people on this side - I deplore that kind of

action of going after individuals appointed to any commission. If you continually want to dig yourselves into that kind of a quagmire, you will have to abide by that.

**MR. CHAIRMAN:** The Member for Arthur.

**MR. J. DOWNEY:** Mr. Chairman, I don't believe there is need for us, as an opposition caucus, to provide proof. We have shown that there is a potential conflict of interest when a beef inspector, a person who is hired by the Beef Commission, can pass judgment on that farmer. Does he want an injustice action to take place on a beef farmer in Manitoba before he takes the kind of action we've requested, Mr. Chairman?

**MR. CHAIRMAN:** The Member for Rhineland.

**MR. A. BROWN:** I'm not familiar with the gentleman, so I can't really make any comments in regard to him. I would just like to tell you something though about inspectors and what can happen.

**MR. CHAIRMAN:** Order please. Order please. Order please. The hour is 4:30, time for Private Members' Hour. I will be leaving the Chair and I'll return at 8 o'clock tonight.

### PRIVATE MEMBERS' HOUR

#### RES. 3 - RE FILM "IF YOU LOVE THIS PLANET"

**MR. SPEAKER:** The time being 4:30, Private Members' Hour. The order of business on a Monday afternoon is Proposed Private Member's Resolutions. With the assumption the House still wishes to hold Resolution No. 1, Resolution No. 3, proposed by the Honourable Member for River East. The matter is open.

The Honourable Minister of Finance.

**HON. V. SCHROEDER:** Thank you, Mr. Speaker. I believe that there is no issue more important to society today than the issue of our survival in . . .

**MR. J. DOWNEY:** I'm sure of that, particularly with the New Democratic Party in this province.

**HON. V. SCHROEDER:** Unfortunately, the former Minister of Agriculture considers this whole topic of the nuclear arms race to be a joke and we hear members like the Member for Sturgeon Creek . . .

**MR. SPEAKER:** Order please.

The Honourable Member for Arthur on a point of order.

**MR. J. DOWNEY:** No, Mr. Speaker. The Minister is putting words or trying to put implications towards me of things that I would say. That wasn't what I had indicated, Mr. Speaker. It is not a light issue. It is one which should be discussed and positions taken, but it is not for the Minister of Finance to put me in any particular position how I treat it, whether lightly or not. I don't treat it lightly, Mr. Speaker.

**MR. SPEAKER:** I thank the Honourable Member for Arthur for that explanation.

The Honourable Minister of Finance.

**HON. V. SCHROEDER:** Thank you. I accept the apology.

The Member for Sturgeon Creek stood up in this House the other day and said, you know, we've been testing weapons for centuries and if one side wouldn't have found this weapon, the other side would have, etc. The understanding that some people have, and I believe that most of us don't have that understanding, but there are some people who still don't understand the fundamental issue involved, the difference between the time we are living in now and the time before the atomic bomb.

The difference is this: It is now possible, indeed some people say likely, that if there is a nuclear war, there will be no future generations. That is something that you, we, all of us must contemplate, the fact that it is possible that when such a war starts with the billions of dollars worth of preparations that have been made, there will be no future generations of people, that basic life on this planet will have been completely changed. There will be no children; there will be no grandchildren; there will be no people because of some ideological argument between two groups of people who lived on this planet in the 20th Century. I think we should all be working toward a reduction in the level of nuclear arms and to a reduction in the level of tensions in this world.

As I understand, Mr. Speaker, the CBC is taking the position that it does not wish to show this movie because it represents only one side of the issue, that is, the movie - and I haven't seen it; my family has seen it, my wife and kids have seen it and they say, it's very good. I was busy. I wasn't able to go. They say, it was very good. It was something useful. I wasn't able to see it, but I am told that it advocates bilateral disarmament. That is the issue that we are told by the CBC mandarins is one-sided.

What are the other sides of that issue? One might be just a freeze to stay where we are right now. The other would be to continue the arms race on both sides. Mr. Speaker, I think that we should, as Canadians, say very, very clearly that we are on the side of those who say we have to disarm bilaterally. There is no question about that. We should not be apologetic about the fact that we do not believe that the existing level is good enough. Certainly there is no question that increases in spending and increases in arms are not acceptable to all of us.

Mr. Speaker, the Member for River East just informed me a few hours ago that this particular movie will now be shown on Pay TV which still isn't in Manitoba, but it will be shown on April 11 on Super Channel in Alberta and Ontario and on Star Channel in the Maritimes, so some people who are in the position where they can pay for it can see it. We can't here yet in Manitoba and I hope that we can encourage the CBC to show it.

The issue of nuclear war, again, is something that is so profoundly different from any other kind of warfare or battle that the old way of thinking about winning and losing is totally irrelevant.

I was at a Manitoba Association of Broadcasters Meeting, on Saturday afternoon, and at that meeting

was a fellow by the name of John McCallum, the economist who writes in the papers. He was telling the audience that he was in the United States for a month in November, and during that time he was taken to a meeting where he was briefed on the United States and its plans to win a nuclear war, a prolonged nuclear war. He said to the Manitoba Association of Broadcasters, the winners would be the people who lost only 170 million people. The losers would lose 230 million people.

That's the kind of insane strategy that is going on in some levels in the United States, and I'm sure in the Soviet Union, on both sides, and it has to stop. People have to be made to realize that they are playing with the end of time for mankind. They don't have the right to do it. They do not have the moral right to do that.

They are spending money at the rate, I am told, of about \$550 billion a year. That's the total arms industry in the world. They spend, on nuclear and other arms on this planet, at this time of need, more in two days than we spend in the Province of Manitoba in our whole Budget in a whole year. That's the kind of money that is going into this industry.

They are, on both sides, rapidly increasing the numbers and types of weapons and we have to be on the side of those who say - we've got to stop this insanity, we've got to turn it around, we have to start talking, we have to start to disarm.

Now I hear members opposite say that we should not request a Crown corporation to do anything, and I think the Member for St. Boniface punctured that argument so thoroughly the other day that I'm sure it will not be raised again, when he asked the Member for Niakwa whether - if the CBC stopped showing football and hockey on Sunday afternoons, whether he as a member of the Legislature, would not request them to start doing it again. The Member of Niakwa simply said, "Well, that's hypothetical." He wasn't prepared to answer it.

The answer though is very clear. If something like that came along, they on the other side, and we on this side, would join in a resolution requesting the CBC to show the football game, to show the hockey games. If all of a sudden that happened the Member of Lakeside would be one of the first people up saying, yes, we think the CBC is totally wrong.

**MR. SPEAKER:** Order please.

The Honourable Member for Lakeside on a point of order.

**MR. H. ENNS:** Mr. Speaker, I hate to interrupt the honourable member. I want to assure the honourable member, I have not always been an advocate of what the CBC shows, or what they should show, and what they shouldn't show.

I've been in this Chamber now for some 15, 16 years. I want to assure him that I have never, it's never occurred to me. That of course is the issue here and I'm waiting for an appropriate, you know, amendment to this resolution so that we can get back into the debate and truly debate the issues as to the quality of the film, or indeed the major question if that's what we want to debate, the issue of survival, the issue of thermonuclear

war. But that is not the issue. The issue, and that's the issue I took place with, is that in my living memory in this Chamber the Legislature has not passed resolutions telling broadcasters what and what not to show.

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

**HON. L. DESJARDINS:** Mr. Chairman, on the same point of order.

I know that the member has been here for a number of years. I wonder if he remembers when there was a resolution asking Channel 7, and telling them exactly what to do when they were trying to prevent the station from the United States to come here, and there was a resolution in the House at that time I think that received . . .

**MR. H. ENNS:** That's a different matter. That's a broadcast wanting to come in or not come in . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please. I thank the honourable members for their remarks having to do with clarification. I don't think it was a point of order.

The Honourable Minister of Finance.

**HON. V. SCHROEDER:** Thank you, Mr. Speaker. Again, the notion that intelligent people in the United States, in the Armed Services area, could actually be giving lectures to people like Mr. McCallum that you can win a protracted nuclear war where we lose 170 million people, but we're ahead of the game because the Russians lost 230 million should be enough on its own without any further argument for us to agree that we had better start looking at this issue in a much more serious way.

The film, as I understand it, deals with what happens to people in and after, and after especially, a nuclear conflagration. That is something that people all over the world should be very much aware of. There may be things in that movie that people on either side of the House don't particularly like. There may be old references to the President of the United States that are totally irrelevant to the real issue of that movie but overall, as I understand it, it talks to people about what could happen to the earth. It talks about the fate of the earth as a result of a nuclear conflagration. — (Interjection) —

That being the case, the Member for Morris says, "Have you seen the film?" — (Interjection) — You see the point is this, I haven't seen the film because it hasn't been shown by the CBC.

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

**MR. C. MANNES:** Mr. Speaker, the member obviously does not read lips very well because I did not say that at all. I haven't seen the film either which I'll disclose in my speech, as I speak next, but I did not ask him if he saw the film.

**MR. SPEAKER:** With that explanation, the Honourable Minister of Finance.

**HON. V. SCHROEDER:** Well, Mr. Speaker, I heard somebody over there say "You haven't seen the film."

I've heard some of the speeches, I've read some of the other ones that were made in this House with respect to that film. I've read some of the quotations from Dr. Caldicott, who is quoted from that film, so I have an idea as to what it's about.

I think it is important that this issue be raised in the public form. I think it's an excellent resolution that the Member for River East is bringing forward in order that it can be raised in a public forum so people are aware that this movie is here and is available.

I understand indeed that it is still being shown in a number of locations in this town. I don't have any — (Interjection) — well, you know the Member for Sturgeon Creek says - then go and see it. What I am saying is that this issue is the No. 1 issue of our time. As tough as the economic times are that we are living in, this unquestionably is the issue of our time and it is something that we, as legislators, have a responsibility to bring to the attention of the public, to let them know how serious the threat is.

You may disagree a bit with the doomsday clock that the Member for River East referred to, but I don't believe that that is a political, an anti-west, anti-east, anti-anything kind of a clock. I believe it's a pro life, pro mankind clock that — (Interjection) — Well, Mr. Speaker, I read the remarks of the Member for River East. He did not say that the movement on January 1, 1981 was directly related to the election of President Reagan. President Reagan was elected several months before that and of course took office on January 1, 1981.

The fact of the matter is that you see in the United States, at a time when they are cutting back on food to kids, at a time when they are cutting back on help for the sick, at a time when they're talking about cutting back on aid to the elderly, they are talking about more and more and more and more spending on nuclear weapons. That is a fact. They are building up a President of the United States who . . .

**MR. SPEAKER:** Order please. Order please.

**MR. H. ENNS:** 200,000 troops occupying a neighbouring country, that doesn't help much.

**MR. V. SCHROEDER:** What's that got to do with this issue? Mr. Speaker . . .

**MR. SPEAKER:** Order please, order please. I'm having some difficulty in hearing the Honourable Minister of Finance who has four minutes remaining.

**HON. V. SCHROEDER:** Mr. Speaker, I thought I was talking loud enough, but I do understand that the Member for Lakeside did want to get an extra few shots in.

At a time when those kinds of cutbacks are occurring, we have a President of the United States, who is not prepared to sign SALT II; we have a President of the United States who is pushing us to get involved with testing the Cruise missile and you know, as a member of this government, one of the things that I am most proud of that we have done, is our renegotiation of

the Camp Shilo Agreement with the Federal Government where we insisted on a clause that says there will be no testing of nuclear weapons. That was something, Mr. Speaker, that we were under pressure on. People from the area were phoning the Minister of Natural Resources; there were dozens and dozens and dozens of phone calls and he withstood the pressure and I'm proud of the fact that he did it.

We stood fast and we stand against — (Interjection) — Ah, Mr. Speaker, there were suggestions that we going to lose the lease, that we going to lose 700 jobs for Manitoba. We said we are not going to be the province that allows that kind of thing. There will not be Cruise missile testing in Manitoba and we are a government that stands against that.

We are also proud of the fact that our Member for River East brought this resolution forward, so we can ask the CBC to show this movie, so that we can have greater public awareness of that issue.

I would urge all members of the House, on a non-political basis, to support this resolution and request the CBC to show this movie so that those of us, including the Member for Morris and myself, who have not seen the film, will have an opportunity to do so.

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

**MR. C. MANNES:** Thank you, Mr. Speaker.

First of all, I would like to re-echo some of the comments made by my colleague, the Member for Sturgeon Creek, and when he said if this Chamber wants to argue nuclear arms, if they want to bring forward a resolution to deal with that type of a debate, let's bring it specifically on that subject and I think members on this side would welcome that, certainly my constituents, no doubt would.

Again, Mr. Speaker, I have not seen the film, so I don't anticipate hearing the heckles coming across as to whether I've seen it or not. I've not seen it.

**MR. D. SCOTT:** So you don't know what you're talking about.

**MR. C. MANNES:** I guess I can say in that regard I have not seen all or many or any of the pornographic films that have been released to date either and I guess that would prevent me from making any type of critical comment on them either, or as members opposite would say, that I probably have no right to make comment upon them.

Now, I have a number of questions, Mr. Speaker, a number of questions regarding the particular resolution and the particular decision by the CBC to not, in fact, air this particular film and so I'll ask them in a series, if I can.

What is the general point that this film is trying to make? Without having seen it, I attempt to assume as to what the theme is and part of it is, what is the general point it is trying to make? What is particularly noteworthy in this film? Is it to do with war, or why there is war? Is that one of the questions that it leaves in the mind of the viewer? Is it why there is war and what are the causes behind war?

Is it to do with why humankind for centuries indeed, since history has been recorded, has not been able to

coexist as groups of people living beside each other? Is it something to do with that? Is the film trying to portray death by warfare? Is it saying that conventional war-related death is different than nuclear-related death? Is the film saying that nuclear war is the worst type of war because so many people will be killed?

I don't have the answers to it - I didn't see the film - but are these the type of thoughts that they leave with the viewer? I can't answer it, but I did a little research, Mr. Speaker, today and I read a comment where some 36 million people were killed in the Second World War. That included service people and civilians I might add and the list of service people that were killed, and these are military forces in various countries - this is for the Second World War: Belgium lost 11,240 service people; China 1,324,000; France 200,000; India 49,000; Poland 107,000; Russia 7.5 million; United Kingdom 271,000; United States 405,000; all the other allied countries some 145,000. And then of course the access countries: Austria 247,000; Bulgaria 10,000; Finland 52,000; Germany 2,916,000; Hungary 140,000; Italy 159,000; Japan 2,144,000 - service people lost in the Second World War. Thirty-six million total, service plus civilians.

Again, the question, is the film saying that nuclear war is the worst type of war because so many more people will be killed? I accept the figures brought forward by the Minister of Finance, 170 million versus 230 million. I don't know, is the film suggesting that we lay down all our arms? I take it that's the main impression it tries to leave upon its viewer. Does it suggest who should lead this process? Does it suggest who in fact should develop the process of laying down arms? Does it make any comment to that?

The Minister talks about bilateral disarmament, but what is the process? Does the film tell us, does it give us the magic formula by which we can lay down our arms simultaneously? Because certainly we all know there isn't one person in here that ideally wouldn't want to see all the arms in the world laid down, but nobody seems to have the magic formula, or does the film attempt to make Western nations feel guilty because of our wealth, because of our standard of living, because of our stability of government? I don't know, I haven't seen the film. I am sure you can ask yourself all these questions.

So in summary, to this particular - does the film try to say that war is bad, which is obvious, or does it try to state that nuclear war is a variation of war that is even worse because more than 36 million people will die than died in the Second World War? I guess I personally have a difficult time in arguing a point, including indeed this point, when you attempt to argue by degree. In other words, death by conventional warfare is different than death by nuclear warfare. I suppose it's a little bit like arguing that a small theft is different than a large theft.

Back to the film, again, if the government wants to argue that warfare in all its versions is unacceptable, if the film states that, fine. I have no difficulty accepting that. If it wants to argue that, ideally, there should be no war, fine. We're together, but is that totally a realistic approach to take? For all our wishing and all our hoping, will war come to an end? If the film attempts to scare us into talking peace, that's fine too, but to me this is the main point. This is not the first anti-nuclear film

ever produced. This is not the first one ever shown. To me, that's the basic issue, Mr. Speaker. What is the difference between this particular film and all the others that have been shown? Everyone sitting here has seen a documentary over the last five years on the scourge of nuclear warfare and the tremendous devastation that it can cost. Each and every one of us in this Chamber has seen it, so what makes this particular film different than all the others that we've seen?

One thing makes it different. It must, it must be. There is something different that the CBC, that indeed the Secretary of State, and the Government of Canada finds embarrassing. There is one thing, because none of these institutions, certainly not the Government of Canada and certainly not the CBC, in any way is opposed to showing anti-nuclear pictures and films. Indeed, it has been done many times previously, so what is the difference? What makes this particular film different?

Obviously, it is the scene depicting the leader of our closest ally, indeed our best friend, Mr. Speaker, President Reagan supporting war in general. — (Interjection) — Obviously, that's the point. I have seen 90 Nuclear War. This film has used probably the lowest form of editing to present a negative critical view of our greatest military defender, the President of the United States. To bring in a film clip of a comment made, not in jest at some private party, but in a character part in a film is despicable.

Mr. Speaker, I spent three days with the Member for River East at an Energy Conference in Newfoundland and we had many many moments and hours of conversation. But I can bet anyone in this Chamber, had I taped every moment of those conversations and taken all the words and split them in the proper fashion and then spliced them together, I could have developed the most damning conversation that particular member may have given. That is the problem. — (Interjection) — Mr. Speaker, I don't know how my time is going, I would love to answer that question.

My point, Mr. Speaker, that attempt to insert a particular clip into a film where you are trying to lay a message, to me is the most despicable type of filmmaking indeed of any process. I believe that our federal leaders really understand that, as a nation, we should not be associated with that type of cheap shot at any individual in the world. I can tell you, Mr. Speaker, we do those sorts of things and the enemy does those sorts of things during warfare. There is one word for it, it's called "propaganda." Anything goes during warfare, but during times of peace, you would never ever catch a nation, certainly a trading nation like Canada, developing a film and using as a same clip, the Russian leader, Andropov. You would never see it; you would never cast that embarrassment. Why? - because Russia buys wheat to the value of some \$3 billion from this country. You would never ever see this nation embarrassing in peacetime any other political leader in the world, yet we attempt to do so under the guise of the National Film Board by this film and we do so to our greatest military defender, one President Reagan of the United States.

Mr. Speaker, I would like to close by saying that I certainly will vote against the resolution, not for its theme but the despicable means by which it uses it. I find it an embarrassment to Canada that we would

want to produce a film that indeed does nothing more than attempts to embarrass the President of a close ally and close friend. I say to you, Mr. Speaker, hopefully, the members opposite will come to their wisdom. Indeed, if they so wish to debate this whole area of nuclear armament, nuclear disarmament, and nuclear war, that in fact they'll bring forward a resolution that will not be enveloped in the guise of some anti-CBC decision.

Thank you very much Mr. Speaker.

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

**MR. D. SCOTT:** Mr. Speaker, I wonder if the Member for Morris would entertain a question?

In his comments, Mr. Speaker, the Member for Morris claimed that he would not be a party whatsoever to anyone splicing a part of a film of someone's life at an earlier stage and using it at the present day. First off, in the question, the light showing President Reagan in his earlier days as him having returned from dropping an atomic bomb and looking like a very remorse individual. The question I have for you is, do you associate yourself or will you associate yourself with the Progressive Conservative Party of Canada's campaign, both at the last federal convention you had here, which showed one Mr. Ed Broadbent, the national leader of the NDP, in a very negative pose and had that spread up on the multimedia presentation that they had, and from what I can understand are expecting to use that sort of media slander that the United States used so effectively against democratic candidates in the U.S. in the last election, to use it in Canada in the next federal election. Will that member associate himself with that kind of remarks and with that kind of strategy which is so evident that his federal party supports and I have no reason to think his provincial party doesn't also.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please. Order please. Order please. Where there are questions following a member's presentation to this House, they should be strictly for clarification on what the member says and they should not in any way be argumentative. However, if the Honourable Member for Morris wishes to answer, he may do so.

**MR. C. MANNESS:** Mr. Speaker, thank you. I agree with you wholeheartedly. The question certainly asks me to clarify nothing I've said, but I do draw a line between politics of the day and war of the day. When the First Minister gets up in this House during the introduction of a Crow speech or a Budget Debate, he asks for, "A common consensus to fight this economic war." He asks us to put all our political views aside. So, to me there is a vast difference between political warfare and any warfare associated with military bombs.

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

**MR. R. DOERN:** Thank you, Mr. Speaker. Mr. Speaker, I don't want to spend too much of my speech on the issue of nuclear weapons or disarmament other than

to say that in the early '60s as a University student, I was active in a nuclear disarmament movement. It was the one time in my life that I marched with a placard down Portage Avenue because of what I considered the grave seriousness of this particular issue.

I attempted to see this film at the planetarium a week or so ago, but it was so popular that the place was in effect filled or sold out even though there was no charge made. But, I have seen many films made by the National Film Board and many of them, in fact, Mr. Speaker, in the past year, and I think that probably when the film is actually viewed by a lot of people who are interested in it and talking about it, they may be somewhat taken aback that it is not as propagandistic or as violent as some members across the way seem to suggest.

The National Film Board has made a number of movies this year which are being shown near Portage and Main and I think I've seen them all. I saw their great chess movie; I saw their movie on F.R. Scott, which was I think a superb film; I saw last week's presentation, Billy Bishop. Twice I've seen an incredible movie they made called - I don't know what it's called but about a Ukrainian strong man from near Clear Lake. — (Interjection) — John Bucklaschuk? No. It was something like that. Then I tried to get to see their grocery store film a couple of times but that was so popular that that one I still haven't seen as well.

Mr. Speaker, what this particularly reminds me of is the Mr. Pearson debate. Those of us that are Golden Oldies in the Chamber probably remember in the mid '60s that there was quite a furor over a film made about Lester Pearson called, "Mr. Pearson." It was made by the CBC. The Liberals didn't quite like the tone of the film and as a result they had that film banned. The producer or the director then decided that he would release it in private theaters from coast to coast. It was shown in Winnipeg and I did see the film. It was an excellent film, Mr. Speaker, and it wasn't anywhere near as damning or as unfavourable as one might have suspected, but nevertheless, people thought it might prove embarrassing and the powers that be exerted pressure on the CBC and the film was at that particular time pulled.

I think the best film to see on nuclear weapons may be even better than this, and I speak in a degree of ignorance about the exact content of the film, the best film on nuclear weapons that should be shown over and over and over again is "Dr. Strangelove", because that's the film in which it showed the lunacy of the entire nuclear race and it not only was heavily critical of the Americans, but it was heavily critical of the Soviets. It starred Peter Sellers who played half-a-dozen roles. The actual moment of the film for those of you who don't know it, or the key plot was of a B-52 Bomber and an American crew that decided that they were going to have a pre-emptive strike on the Soviet Union because there were Commies everywhere. Sterling Hayden played a crazy American general in the film. — (Interjection) — Sterling Hayden. As a result crew took off and the Americans were going to try to shoot down their own plane and there was going to be a nuclear war breaking out. The Soviet President at that moment was contacted on the hot line by the American President.

Unfortunately, as life would have it, both men were not at their best form. The Soviet President was drunk.

The American President picked up the phone and started talking to him and asked him whether he could turn down his stereo a bit because there was a lot of music and drinking going on in the background.

It was an incredible film, Mr. Speaker, but real, because, you know, I guess the assumption is when the great moment comes, both the American President and the Soviet President will be stone-cold sober sitting with their full Cabinets and their charts and in the best light of reason will make a decision. Well of course, that may not, in fact, be the way that it happens at all. So, I have to recommend that film in particular.

You know, it was a comedy. It was called a black comedy. "Dr. Strangelove," or "How I Learned to Stop Worrying and Love the Bomb," and I consider that in my judgment one of the greatest films ever made. I have seen it on a number of occasions.

Mr. Speaker, we're talking about a film which is nominated for an Academy Award, which has been shown by a number of CBC stations and which for some reason locally was turned down. Mr. Speaker, I think it's all right for the CBC to decide whether they're going to show a film or not and I think it's all right for us to decide whether we think it should be shown or not, and it'll be interesting of course to see what the actual vote on this resolution is and a certain kind of vote may influence the CBC more than another, but I suspect it's going to be a divided vote. As a result, the CBC will read the entrails, as they used to at Delphi, and then there will be different public pressure being brought to bear. The fact that it is being shown free around town and the fact that it's being shown at the Cineplex complex today and so on, I think, will all be factors that will go into that decision.

What interests me in particular, though, is some of the debate that has taken place on this particular matter, I think particularly some of the comments made by the Honourable Member for Lakeside and some of the remarks made by the Honourable Member for Minnedosa. If I understood the Member for Lakeside correctly, his big point was that he was staunchly defending the right of the press. He was concerned about freedom of the press. He was worried that politicians were going to attempt to influence a public corporation and that this, of course, is something that should never happen, that the press has its rights and freedoms and traditions and that the two should not be mixed.

Mr. Speaker, I find that somewhat peculiar coming from the Member for Lakeside, just a bit, not a lot but a bit, and somewhat peculiar coming from the Conservatives when they quickly spring to the defence of the media on this particular matter, because I am reminded of the attacks made by the Conservatives at the federal non-nomination meeting where Joe Clark was knifed to death that took place in Winnipeg in November. As a result, compare the kind of comments that they make in this debate with the kind of comments that they made about the media in November. Never mind November, what about the last election campaign? What about some of those comments?

Mr. Speaker, in case the Conservatives don't remember, I will remind them of a few remarks in defence of the press made by Conservatives, November 17, 1982. This article by Barry Mullin is called, "P.C. Attacks turn Personal and Vicious. Women journalists

bear the brunt of P.C. venom at the weekend convention." It says in the article that the delegates and their national party leader indulged in a favourite pastime, media bashing, also known as shoot the messenger. "Provincial Tories have become consumed by a vicious ugly dislike for any media representative who dares criticize party policy and actions." There were personal attacks on columnist, Frances Russell, and reporter, Ingeborg Boyens, that go beyond the usual kind of cheap shots," and on and on and on and on.

The fact that the national leader, himself, even suggested Frances Russell should look into this and look into that. One of the delegates swore at one of the reporters and said that . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. R. DOERN:** . . . he wasn't identified, but he approached Miss Boyens and asked if she were Frances Russell and, when told she wasn't - he obviously doesn't look at the paper too carefully - the delegate told Boyens it was a good thing she wasn't, and he added that - and the letter starts with a "b," b blank, blank, blank, blank - that so and so has got what she deserves.

Mr. Speaker, I am just simply saying that the Conservatives cannot entirely pose as the defenders of freedom of speech and the defenders of the media if they're spending a lot of their time at conventions media bashing.

Mr. Speaker, the interesting comment was made by the Member for Minnedosa and he, I think, has in a nutshell blurted out the Tory position. You know, it was a strange comment coming from a man who could now easily win a Karl Marx look-alike contest. It seemed somewhat incongruous coming from him at this point in time — (Interjection) — I was hoping he would be. This is what he said. Instinctive remark, intuitive remark, knee-jerk reaction, in the midst of debate — (Interjection) — not knee-jerk - indicative of what Conservatives think. In the midst of the speech by my honourable colleague - no, it wasn't my colleague for Inkster. It was what's-his-name from Sturgeon Creek making a speech. In the midst of that speech, the Member for Minnedosa suddenly blurted out to the Member for Inkster, "If the President of the United States doesn't like that film, I don't like that film."

We know what that means. The Member for Lakeside said, there's nothing wrong with that. If the President of the United States said that to fly, all you have to do is put your mind to it, I'm sure that the Member for Sturgeon Creek, the Member for Lakeside, the Member for Minnedosa, they would be running up and down the lawns, flapping their arms, trying to take off, based on their naive belief in the goodness of Ronnie Reagan.

Mr. Speaker, the point is - and I want to tell the members this and I think they are going to be somewhat shocked to discover this - the American people have already told President Reagan what they think of him. They did that — (Interjection) — that's right. Mr. Speaker, it is very interesting that the entire record of the American President was put up for the American people to judge and they judged him as a failing, wrong-directioned President, "Wrong way Ronnie." That's really it. He is the guy who played football heroes, but he's carrying a ball the wrong way. He's running against

his own goal, Mr. Speaker, and he lost Senate seats and he lost House seats and I tell you right now, Mr. Speaker, that in the next election in the United States, a democrat will be the next President of the United States. I think it's going to be one of the following; it's going to be Walter Mondale or it is going to be John Glenn. That is what's happening in the United States today. Because the President doesn't seem to be concerned about domestic issues, he seems to be only concerned with rearmament, with spending billions of dollars on nuclear weapons.

The other thing I say to the members opposite is this. Why should some of you be so concerned about the American line? Why are you so concerned about supporting the American line? Mr. Speaker, I think the answer is that there is so much hatred in the Conservative Party for the Canadian Prime Minister that they are turning to the American President for leadership. They cannot stand Pierre Elliot Trudeau so much that they have to look elsewhere for somebody to give them heart. So they look. — (Interjection) — Well, even in their own party, they don't like their own leader, they're going to have to go get themselves a new leader sometime in the merry month of June. — (Interjection) — Well, provincially and federally that's true.

Mr. Speaker, I want to tell you that the Canadian Broadcasting Corporation should have a Canadian bias, I think it should. I think you can have one of two positions; you can either say it should always show balanced view, or that it could or should have a Canadian perspective on political and social issues.

If you don't think so, I can tell you that the man who runs it does. Pierre Juneau, he was in fact the head of the Canadian Radio Television and Telecommunications Commission from '68-75. It says that he left his mark, I'm reading now from the Globe and Mail, March 16th, 1983 - "He left his mark there by laying down stiff new Canadian content rules." Now, he's the head of the CBC and this is what he says about the CBC. He says "And with more and more foreign shows available to viewers the CBC will have to become a stronger Canadian voice than it is now." Farther down he says "The CBC has to become more distinctly Canadian in its programming" and so on, and so on.

So, Mr. Speaker, I simply say to the honourable members across the way that this particular film, I think, has resulted in a very good debate. I think it has drawn attention to this particular film; once again drawn attention to the whole question of nuclear weapons. It has also, I think, shown that some of the members across the way are too much in love with the American President and should be more concerned with a Canadian position on nuclear weapons, Mr. Speaker, and on Canadian films.

**MR. SPEAKER:** The Honourable Member for the Pas.

**MR. H. HARAPIAK:** Mr. Speaker, I move we call it 5:30.

**MR. SPEAKER:** Is it the wish of the House to call it 5:30? (Agreed)

The Chair will accept the motion to adjourn.

**HON. A. MACKLING:** I move that we call it 5:30.

**MR. SPEAKER:** It is moved by the Honourable Minister of Natural Resources, seconded by The Honourable Minister of Economic Development, that the House do now adjourn.

Is that agreed? (Agreed)

On the assumption that the members will reconvene in Committee this evening at 8 o'clock, the House is adjourned and will stand adjourned until 2 p.m. tomorrow afternoon.