

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 20 March, 1985.

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 for the Environment.

**HON. G. LECUYER:** Mr. Speaker, I have a statement to make.

I would like to inform the House that this afternoon my department is working closely with the Town of Carman, the Manitoba Emergency Measures Organization and the Department of Health in cleaning up a chemical spill on the Boyne River in the community.

Mr. Speaker, I have been informed by my staff that sometime over the winter a potato herbicide called Dinoseb was dumped on the river bank near the Boyne.

The herbicide flowed down the river bank and onto the river. The chemical is visible on the ice and stretches for about 125 metres along the river. The chemical spill is approximately 180 metres upstream from the Town of Carman's water intake. My staff have been holding ongoing discussions with town officials. As of late this morning, our department recommended, as a precautionary measure, to the Town of Carman to temporarily close the water intake until effective clean-up measures can be put into place. Staff in my department have also met with experts of the chemical industry to review all options for clean-up and further meetings are also planned with the town officials later today.

Staff of my department are doing extensive sampling today to determine the exact concentration of the chemical involved. Once this information is available, we will be in a better position to effect proper clean-up.

Mr. Speaker, I would also like to report to the House that arrangements have already been made through EMO to ensure that drinking water will be available through the provision of rail tank cars. Provisions are also being made so the town has access to water in case of fire fighting efforts.

I would also like to report, Mr. Speaker, that the Department of Health, through the local Medical Officer of Health, is providing information to local physicians with respect to any potential health implications for those who may have come in direct contact with the chemical. The schools in the area have also been notified.

Mr. Speaker, this spill was first reported to local public health inspectors in the area on February 21, 1985. At that time, the town made arrangements to clean up the contamination which was thought to be isolated

on town property near the river bank. Subsequently, once the snowmelt occurred, it was discovered that the contamination had also spread to the ice in the river. As a result, our emergency response people were called in late last week to co-ordinate the clean-up with the town. It wasn't until yesterday afternoon that lab officials were finally able to confirm that the chemical in question was the potato herbicide, "Dinoseb."

Mr. Speaker, I met with a number of my colleagues early this afternoon and we have set up a committee of Deputy Ministers and technical experts from three departments involved to co-ordinate the province's response to the situation and provide reports to the Ministers on a daily basis.

Our department is continuing its investigation as to the origin of this chemical.

Mr. Speaker, I will keep the House informed of all new developments regarding this matter.

Thank you.

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

**MR. A. KOVNATS:** Thank you, Mr. Speaker. I would like to thank the Honourable Minister for giving us this report and the action taken by his department.

The only thing that I would mention at this time is that I'm led to believe that the material that was spilled on the Boyne River is of a brilliant yellow colour.

Mr. Speaker, public health inspectors were notified in the area February 21st, and it's almost unbelievable that there is no action taken. It's March 20th and no action taken up until now to ensure the safety of the environment in that particular area. I would hope that if it ever happens again that there will be action taken more immediate, particularly when there is advice that there is some danger to the community.

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

**HON. S. USKIW:** Mr. Speaker, it's my pleasure to table the Annual Report of the Department of Natural Resources for 1983-84; and the Conservation Districts of Manitoba Annual Report, 1983.

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

**HON. J. PLOHMAN:** Mr. Speaker, it is my pleasure to table the Annual Report of the Department of Highways and Transportation for 1983-84.

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

### INTRODUCTION OF BILLS

**HON. L. DESJARDINS** introduced Bill No. 11, An Act to amend The Amusements Act.

**HON. M. SMITH** introduced Bill No. 12, The Child and Family Services Act; Loi sur les services à l'enfant et à la famille.

**MR. P. EYLER** introduced Bill No. 20, An Act to amend The Engineering Profession Act; Loi modifiant la loi sur les ingénieurs.

### INTRODUCTION OF GUESTS

**MR. SPEAKER:** Prior to Oral Questions, may I direct the attention of members to the gallery. He have 27 students of Grade 6 standing from the Inkster School. They are under the direction of Mrs. V. Adams. The school is in the constituency of the Honourable Minister of Industry, Trade and Technology.

There are 30 students from Churchill High School under the direction of Mr. Alex Sabeski and Mr. Oepkes. The school is in the constituency of the Honourable Minister of Community Services.

In the loge to my left is a former member of the House and a former Speaker, Mr. Hanuschak.

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

### ORAL QUESTIONS

#### Provincial-municipal tax share - re City of Winnipeg

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

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

My question is to the Minister of Urban Affairs. At 1:30 p.m. this afternoon, City of Winnipeg Council has met to strike the Budget for 1985. One of the considerations that they have to decide on is to whether or not 60 positions must be eliminated from their work complement, half of them firefighters. Could the Minister advise us whether or not he has given a final figure to the Mayor, or any member of City Council, as to the amount that they will be receiving under the provincial-municipal tax-sharing payment for 1985?

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

**HON. L. DESJARDINS:** I thank the honourable member for asking me the question and giving me an opportunity to set things straight because I think the Mayor has been misleading and been unfair with his statement today.

I might say that the Mayor has been informed by the former Minister of Urban Affairs that they should not expect any increased revenue from that source, that is, the Income Tax and the Corporation Tax and, therefore, should be set at around \$700,000.00. Last week, the Department of Finance was informed by the feds that there would be some increase. I immediately phoned the Mayor to tell him that I didn't have the last figure. To enable them to do something about it, I told him that we would let him know as soon as possible; that was acceptable to him. I instructed my deputy minister to speak with Mr. Diakiw; that was done. I received a phone call from the Mayor the following day; I told him that it would be at least a million dollars, but I couldn't give him exactly, I was hoping there would be more than that, that I would tell him today. He told

me they'd be in committee all day and he assured me that it would be all right as long as he found out today. There would be no way we were trapped or forced to go with the formula. It would have been a lot easier if it was too confusing for him to leave it at \$700,000, but I thought we would help him to retain some of the jobs, and so we fought to the very end. We practically doubled what he was getting and I think it is quite unfair playing the games a little wildly.

**MR. C. BIRT:** In a letter dated March 18, 1985, to His Worship Mayor Norrie, you indicate that because there has been a significant increase in the Income Tax-Corporate Tax Revenues there will be an increase of at least \$1 million and maybe more. The question is: are you now in a position to give the exact amount that you will be paying to the City of Winnipeg under this formula?

**HON. L. DESJARDINS:** Yes, I am. As I had promised the Mayor, either the staff is in the process of informing Mr. Diakiw or they've done this already. I know that they tried to reach him this morning. For the information of the citizens of Winnipeg and the members of this House, it will be an additional \$1,382,000 or practically double the original 700.

**MR. C. BIRT:** Mr. Speaker, in years past and in particular a letter dated March 13, 1984 signed by Eugene Kostyra, Acting Minister for Urban Affairs, identified to His Worship Mayor Norrie the exact amount of money that they would be receiving under that formula. Why are you waiting until after City Council has met to set the Budget, to set the amount of money that they will be receiving? They can't make those decisions in that time. Why have you delayed in giving this information to City Council when last year it was available at least two weeks prior to this time?

**HON. L. DESJARDINS:** I haven't a specially good gift of that communication — (Interjection) — and . . .

**MR. SPEAKER:** Order please, order please. Order please.

I would remind the honourable members that questions should be seeking information and not to give information to the House, or be argumentative or to make representation.

The Honourable Minister of Health.

**HON. L. DESJARDINS:** Mr. Speaker, I understood that the member is seeking information, but I thought I'd just finished explaining that. The situation was that the forecast was there would not be any change. The former Minister of Urban Affairs informed the city that this would be the case. We were informed just lately by the Federal Government. It's based on 1984 taxes. I don't know if you file your income tax; I haven't yet, so we haven't got the final thing, but it is what is projected and adjustment for last year.

That information was given to the Department of Finance who informed us. Immediately, I got in touch with the Mayor, in the spirit of co-operation, and told him that I was pretty sure that there would be more. I couldn't tell exactly how much. He phoned me again,

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and I wrote this letter which was the best that I could do to tell him that it would be at least \$1 million. So therefore, I was giving the information as progressively as I was getting it.

Then he phoned me again, he wanted the amount. I told him that this would be brought to Cabinet. I didn't have the paper. I didn't know the correct amount, but could I phone him today and let him know. He assured me that they would be in committee all day and, yes, as long as they knew today - in a very friendly way. That is why I was so surprised when I saw the headings and I was questioned this morning.

Now, we had no obligation to go. The formula is set as all the money is collected from the feds, but all the distribution could be changed. It would have been very easy to stay with the 700. We had no obligation of doing that, and I think it is most unfair after that kind of co-operation, after going out of our way to keep them practically blow-by-blow. If it's too confusing, next time maybe I won't try to work like this and we'll stay with the original amount.

**MR. C. BIRT:** Is the Minister of Urban Affairs stating that you are not obliged to live up to the commitment of tax sharing entered into between the province and the city? Is that what you have just said?

**HON. L. DESJARDINS:** I think I'll try it in French, maybe I'll be understood a little better.

Mr. Speaker, I said that there is a formula as all the money is collected from the Federal Government; that is lived up to. The disbursement of money leaves a lot of flexibility. There is no obligation or anything. The statement at one time was made to the municipalities, including Winnipeg, that they would not receive less than last year. Last year, that amount was \$700,000.00. We could have stayed with that or anywhere around that progressively. I gave him the information as I was doing my best to obtain more to help him keep those firemen, help him in his fight to keep the firemen. Now I understand that games are being played to get brownie points, but if we're going to be fair I think the Mayor should be as fair as I have been with him. If he wants to play games, he won't get an edge at all because I'll play the same game.

### **Tax imposition on non-residential property owners**

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

**MR. G. MERCIER:** Mr. Speaker, earlier this year the Municipal Board reduced non-residential assessments in the City of Winnipeg in a total amount of \$7.6 million for each of the years 1981 through 1984 at a cost to the city of some \$9 million in tax reductions and interest.

Mr. Speaker, my question to the Minister of Urban Affairs or the Minister of Education is this, Sir: Could the Minister explain why the province's Public Schools Finance Board has just served a notice on the city requiring a 1985 tax imposition against Winnipeg non-residential property owners which ignores the assessment reduction ordered by the Municipal Board in January?

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

**HON. M. HEMPHILL:** I will take that question as notice, Mr. Speaker.

**MR. G. MERCIER:** Mr. Speaker, again the City of Winnipeg Council is meeting this afternoon to establish a mill rate for the City of Winnipeg. The Minister doesn't appear to be aware of the problem. Is she then saying, Mr. Speaker, that the City of Winnipeg Council should not establish a mill rate today in view of the Minister's complete lack of knowledge of this important matter that must be considered by City Council?

**HON. M. HEMPHILL:** Mr. Speaker, the member opposite read from a document that had a lot of figures in it and a lot of information that I don't have at my fingertips. I'll check into it as soon as question period is over and do what needs to be done.

### **Independent schools - legislation in support of**

**MR. G. MERCIER:** Mr. Speaker, another question for the Minister of Education on another subject.

Could the Minister of Education indicate whether she or the government will be presenting a bill at this Session of the Legislature that will provide for a formula for support of independent schools in Manitoba?

**HON. M. HEMPHILL:** Mr. Speaker, each year when my Estimates come forward in the Chamber, one of the decisions and the pieces of information that are presented is what grants and what level of funding will be given to outside groups and institutions and agencies and educational institutions that are not in the public school system. That information is always given during the Estimates period and will be this year too.

**MR. G. MERCIER:** Mr. Speaker, I'll repeat the question to the Minister.

Will the Minister or the government be introducing legislation at this Session of the Legislature that will establish a formula for the support of independent schools in Manitoba?

**HON. M. HEMPHILL:** Mr. Speaker, it is not necessary to have legislation for the government to determine what level of increased funding it's going to give to the private schools, but any legislation that is going to be introduced in this Session will be announced in due course.

### **Federal grading and inspection fee increases**

**MR. SPEAKER:** The Honourable Member for Ste. Rose.

**MR. A. ADAM:** Mr. Speaker, my question is to the Minister of Agriculture. I would ask the Minister, in view of the concern expressed by farmers on federal grading and inspection fee increases, whether he could advise if he has contacted the Federal Minister on these outrageous increases in inspection fees?

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

**HON. B. URUSKI:** Mr. Speaker, I have had inquiries from various farmers around the province who have received letters from the Federal Government indicating that the seed industry is receiving increases anywhere from 450 to 1500 percent in fees charged by the Federal Government. That is part and parcel of the \$60 million cut that the Department of Agriculture is making this year, and of that amount they're making that up by \$33 million of fee increases. There are also fee increases that we are being advised, piecemeal, of increased costs on ROP programs, on testing of meat products in the community.

We have made representations to the Federal Minister. I have written personally to the Federal Minister objecting to the wide range of cuts and the escalation of such exorbitant fees, Mr. Chairman. As well, we've made representations objecting to the way the Federal Government has undertaken to review agricultural programs, not having even one person related to the farm industry involved in that review.

**MR. A. ADAM:** A supplementary to the Minister. He indicated that he had contacted a Federal Minister in this regard. I wonder if he could advise the House, has he had a response from the Federal Agriculture Minister in response to his concern that he expressed to the Federal Minister.

**HON. B. URUSKI:** Mr. Speaker, no, I have not received a response. I have read, as the honourable member has read in the media, that these fees while they come into effect on April 1st, will be spread out during the year so that all these increases will be phased in through the whole year. But, certainly, especially as far as the grain industry, which is in the most severe difficulty, the increases on the grain industry will impact on them the most because of the industry in Manitoba. The forage industry is a very major industry in terms of Western Canada. Manitoba is the largest producer of forage crops and certified seed, and, Mr. Speaker, this is the way the Federal Government is treating our producers.

### **Dug-out filling - reversal of costs**

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

**MR. J. DOWNEY:** Mr. Speaker, in view of the fact the Minister is concerned about increased costs, will the Minister reverse the costs of dug-out filling to the drought stricken farmers of Western Manitoba which, in fact, he imposed to some \$150 from nothing last year or the year before?

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

**HON. B. URUSKI:** Mr. Speaker, there have been fees for dug-out filling for a number of years. There was a year, Mr. Speaker, during the drought year — (Interjection) —

**MR. SPEAKER:** Order please.

**HON. B. URUSKI:** Mr. Speaker, the fees for dug-out filling have been in place for many years, and we will be continuing to charge the fees. One of the reasons, Mr. Speaker, that there is a charge, and it is not a cost-recovery charge but a charge there, because the department is unable to meet all the requests of the farmers in the areas to fill dug-outs, and there is a private industry there in which we have received many representations that if there was no charge there, we would be overrun with applications that we could not meet, and there is a service that the private industry is continuing in Western Manitoba.

### **HERizons - withdrawal**

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

**MR. R. DOERN:** Mr. Speaker, I'd like to direct a question to the Minister of Education, and ask her whether she is now prepared to recommend that the magazine HERizons is unsuitable for young people in Grades 7-12?

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

**HON. M. HEMPHILL:** Mr. Speaker, I still have not read the magazine in question. The previous answer stands. The department nor myself are reviewing periodicals, magazines or newspapers. I would think, as a former teacher, I know that he understands the procedure well and that is that teachers, principals and librarians are in the best position to review those materials.

**MR. R. DOERN:** Mr. Speaker, I would then like to ask the Minister on what basis she then last week looked at a publication and ordered its withdrawal, which would appear to contradict her present statement?

**HON. M. HEMPHILL:** Mr. Speaker, I think when we discussed this a couple of days ago it was clear that there was some incorrect information that was sent out to the school divisions where it suggested that the department had reviewed and was recommending the periodical. The Minister of Culture clearly went on record as saying that was inaccurate and he had regretted it, that it had not been approved by the department, but because there was a misunderstanding and it was possible for them to believe that we had - in fact, I agree that they would believe that we had recommended it - it was important that we notify them that there was inappropriate material in that periodical and it should be withdrawn from the shelves.

### **HERizons - advertising in**

**MR. R. DOERN:** Mr. Speaker, on the same topic, I would like to direct a question to the Deputy Premier and ask her whether she can confirm that her department regularly advertises in the magazine HERizons?

**MR. SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** Mr. Speaker, I will take that under notice, but I thought the question that has been of concern here is what reading material is available to people of school age, not what material is available to adults.

### Carman chemical spill - samples taken for analysis

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

**MR. D. ORCHARD:** Thank you, Mr. Speaker. My question is for the Minister of the Environment. In his report this afternoon, he indicated that a health inspector was on site in Carman on February 21, 1985. Can the Minister indicate whether his department received samples for analysis of the chemical that was present, obviously the same chemical that he has announced today? Were samples taken on February 21st?

**MR. SPEAKER:** The Honourable Minister for the Environment.

**HON. G. LECUYER:** Thank you, Mr. Speaker. I don't know whether samples were analyzed starting as of February 21st. I do know, Mr. Speaker, that the chemicals identified at that time were isolated, as far as we knew, to town property near a potato storage plant and a clean-up was effected at that time. Now I do know, Mr. Speaker, we have been attempting through lab analysis to identify what this chemical is for I don't know how many days now, but I know it's since early of last week.

**MR. D. ORCHARD:** Mr. Speaker, the Minister indicates that the chemical was present on town property which drains into the river in Carman some 600 feet upstream from the town's water intake. Would it not have been appropriate action by investigating staff to assure themselves what this chemical was? Because it's obvious it was going to run into the river. I would like the Minister to indicate at what date his department sampled the material to determine what material it was and whether it was dangerous to humans who are consuming the water.

**HON. G. LECUYER:** Mr. Speaker, I have indicated already that the substance or the chemical at that time was cleaned up. We are satisfied that all of it was collected. It was not until the snowmelt on the river that additional substance, and as far as we know, Mr. Speaker, we were at that particular point in time not even sure that it was the same substance, nor were we in any way sure that it was related to the first clean-up substance.

Mr. Speaker, I have already indicated, as part of the statement that I made a while ago, that this is a chemical that was very difficult to identify. In fact, Mr. Speaker, we have had to go to outside sources to be able to do so.

**MR. D. ORCHARD:** The Minister, I believe, answered that they did not know what the chemical was when they cleaned it up on February 21st. Would the Minister

care to indicate what disposal method was used, not knowing what chemical was cleaned up on February 21st?

**HON. G. LECUYER:** Mr. Speaker, I will verify that but I believe it was disposed of in the landfill site.

### ManOil-Inter-City Gas pipeline

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

**HON. W. PARASIUK:** Mr. Speaker, last week the Member for Virden asked me a question about the Waskada pipeline. He asked whether in fact the Waskada pipeline had been completed and all the interested parties involved in that had been serviced to the completion of that contract and has all the work been done to complete that contract.

In answer, I have been advised that the construction permit was awarded to Inter-City Gas Corporation in February of 1984, construction was commenced in early October of '84, the company was granted an operating licence in early January of 1985, and the first oil was pumped through the line in early January. Work is still in progress to complete the truck unloading terminal at Waskada and clean-up and restoration of the pipeline right-of-way is scheduled to be done immediately following the spring break-up.

I believe further that he was interested in whether there were problems encountered with landowners along the route of the pipeline. I have been informed that approximately - well, to be specific - 67 of the 77 landowners affected voluntarily signed right-of-way user agreements with the operator. The remaining 10 parties are currently involved in expropriation proceedings. Again, I have been informed - there is a footnote - that some of these 10 requested that they be expropriated.

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

**MR. H. GRAHAM:** I want to thank the Minister for the information. He stated in his answer that on, I believe it was February 2, 1984, they commenced this pipeline. Can the Minister indicate at that time when the original tender was let what interest ManOil had in the Manitoba Pipeline Limited? Did the province at that time have a 25 percent interest, I believe?

**HON. W. PARASIUK:** I will check to make sure of the facts on this, but there were negotiations under way between Manitoba Oil and Gas Corporation. I don't know if they had been consummated with respect to any specific portion, although I know that there were discussions in the order of about 25 percent. Subsequently, Manitoba Oil and Gas Corporation negotiated a 10 percent interest with Inter-City Gas.

**MR. H. GRAHAM:** Can the Minister repeat that? A Manitoba Gas Corporation?

**HON. W. PARASIUK:** The Manitoba Oil and Gas Corporation has a 10 percent interest in the pipeline.

**MR. H. GRAHAM:** Can the Minister give me the dates that those changes occurred in the joint venture?

**HON. W. PARASIUK:** Mr. Speaker, as I said, I will check to get the specifics because I do not know if there were any specific percentages consummated. I do know that ultimately the Manitoba Oil and Gas Corporation and Inter-City Gas agreed on a partnership whereby Manitoba Oil and Gas Corporation had a 10 percent interest in the pipeline.

### Carman chemical spill - clean up

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

**MR. A. KOVNATS:** In the Minister's statement, it mentions, "Emergency response people were called in late last week to co-ordinate the clean-up with the town." Can the Honourable Minister of Environment advise, was clean-up started before the chemical spill was identified?

**MR. SPEAKER:** The Honourable Minister for the Environment.

**HON. G. LECUYER:** Thank you, Mr. Speaker. The substance which I can now call the chemical is on the ice and we are seeking, even as I'm presently speaking, all possible ways of collecting that substance. None of that has, at this point in time, been cleaned up.

**MR. A. KOVNATS:** Can the Honourable Minister of Environment advise, when was outside professional help requested to help identify this substance?

**HON. G. LECUYER:** I can't give the member the exact date, but sometime early last week.

**MR. A. KOVNATS:** My last question, Mr. Speaker, can the Honourable Minister of Environment advise, does it always take four to five days through his officials and his department to identify substances that could cause some chemical hazard in particular areas?

**HON. G. LECUYER:** For the honourable member's information, as far as I know this is the first time we had difficulty in so doing.

**MR. SPEAKER:** The Honourable Member for Ste. Rose.

**MR. A. ADAM:** I have another question I would like to direct to the Minister. Mr. Speaker, I would like to

**MR. SPEAKER:** Order please, order please.

The Honourable Member for Lakeside on a point of order.

**MR. H. ENNS:** Mr. Speaker, I appreciate the tradition that the Speaker has of moving from one side of the House to the other side of the House, but there's also another tradition of acknowledging that many members have questions to ask and certainly before members get second or third opportunities to ask those questions, some of those members that are getting up for the first time should be recognized.

**MR. SPEAKER:** I think that was not a point of order.

The Honourable Member for Ste. Rose.

Order please. The Honourable Member for Ste. Rose.

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

### Zero Tillage - chemical impact on

**MR. SPEAKER:** Order please. The Honourable Member for Ste. Rose.

**MR. A. ADAM:** Mr. Speaker, I have another question that I'd like to direct to the Minister of Agriculture in view of a study being undertaken on farm chemicals. I would ask the Minister if he could inform the House of what possible impact this could have on Zero Tillage, and what action he has undertaken in view of this study taking place, to make sure that farm people would have an input in this particular study which may impact unfavourably on Manitoba farmers.

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

**HON. B. URUSKI:** Mr. Speaker, we were not informed that there was any kind of a study. In fact, we were surprised when we read in the paper that the Federal Government had been undertaking a review of the chemical industry in discussions just with the chemical industry and no other party. So our department had not been involved or asked to make any presentations or comments on those proposals. There was no invitation or consultation. We weren't even requested to present a brief.

But, Mr. Speaker, in the meantime, in discussions with farm groups, namely the Manitoba Pool Elevators last fall and the Zero Tillage Association of the province, we came to the understanding that there is a great discrepancy in the price of chemicals paid by farmers. One of the largest costs that farmers face in putting in their crops, and the Zero Tillage Association in particular faces, is the cost of farm chemicals.

We did, several months ago, request that the Federal Government convene an inquiry into the costs of chemicals, seeing that farmers in this province had increases in the chemical prices of near 100 percent over the last number of years, Mr. Speaker. We offered the Federal Government the assistance of our staff, and we will continue to make those kinds of representations to them.

### Headingley Jail - building location

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

**MR. A. BROWN:** Thank you, Mr. Speaker. My question is to the Minister of Community Services and Corrections. Can the Minister tell this House where the building that was broken into, housing the classified files of Headingley Jail is located? Is it within the compound?

**MR. SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** Yes, it's within the property of Headingley Jail, Mr. Speaker.

**MR. A. BROWN:** My question is to the same Minister. Can the Minister tell us when this building was last checked by Headingley staff?

**HON. M. SMITH:** Mr. Speaker, I guess if I take the literal meaning of that question, I could say it's been intensely checked in the last four or five days. However, prior to that the checking was occurring only quarterly. The building was secure and it was on Headingley property. I did say the other day that although it was the opinion it was adequately secured, that obviously events showed it was not and we have undertaken to review the storage of those files.

However, I do repeat, it was a concrete building, barred and padlocked, on the property at Headingley.

**MR. A. BROWN:** Can the Minister tell this House why two models were present in the building when the reporter got there?

**MR. SPEAKER:** Oral Questions.

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

**MR. SPEAKER:** Order please.

The Honourable Member for Rhineland.

**MR. A. BROWN:** Thank you, Mr. Speaker. It was reported that there were two models at that building when the reporter got there. Can the Minister tell us what those models were doing in that building at that time?

**MR. SPEAKER:** Order please, order please. I do not believe that a report in a newspaper is within the ministerial competence of the Minister.

The Honourable Member for Rhineland.

**MR. A. BROWN:** Thank you, Mr. Speaker. My question then is: can the Minister tell us whether she or members of her staff will be taking action against the Sun for finding these classified important documents available to the public?

**HON. M. SMITH:** Mr. Speaker, as is usual in such cases, the police have been asked to investigate, and it's within their report to the Crown that will determine whether or not a charge would be laid. It is not our prerogative to make that decision.

### Northern Manitoba Housing - rents in arrears

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

**MR. R. NORDMAN:** Could the Minister of Housing substantiate the report that several tenants living in subsidized housing in Northern Manitoba are in arrears in their rent?

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

**HON. J. BUCKLASCHUK:** Yes, this was a statement I made a few months ago, that in fact we have an arrears situation in northern and southern Manitoba, might I add, and that we have taken steps to bring these arrears up-to-date by the end of this month, we hope.

**MR. R. NORDMAN:** My question, Mr. Speaker, was: what actions have you taken to relieve this problem?

**HON. J. BUCKLASCHUK:** I'm sorry, I didn't quite hear the question initially. Again, I will say that there is a problem in the arrears situation. I might add that it's not quite as bad at this time as it was in 1980, but we have taken a number of steps.

So the first step that we have taken is to have staff contact every tenant advising these persons of the arrears situation to get an understanding of why the persons have gone into arrears, and to ask the tenants to try wherever possible to get the situation in hand. As an ultimate, where there are tenants who are able to afford their rents and are unwilling to pay their rents, then we will in all likelihood take the action of evicting those tenants.

**MR. R. NORDMAN:** Further to that, could the Minister of Housing confirm the conditions of the Warwick Apartments? I'm not so concerned about the increase in the rent as I am of the condition of the building itself. Under the Rent Regulations, what is being done to upgrade those apartments?

**HON. J. BUCKLASCHUK:** Mr. Speaker, as the member is aware, there was an article in yesterday's paper about the situation at the Warwick Apartments. Just to clarify the situation, the Rent Regulation Bureau is responsible to see that landlords' increases are in line with the guidelines. There is an appeal process where, if the rent increases are in excess of the guidelines, they may be appealed.

I should indicate that in the case of the two tenants, the previous rent was \$140 a month, and the landlord had requested an increase in rent to \$240 a month for an increase of \$100 a month. This was appealed, and the increase allowed was \$19.00. The other tenant had a rent of \$297.00. The landlord had asked for an increase to \$397, an increase of some \$98.00. The Appeal Board heard this matter, and a rent increase was allowed of, I believe, \$28.00.

The conditions of the units are not within the responsibility of the Rent Regulation Bureau. That is a matter for the Rentalsman's Office, and the Rentalsman's Office has been made aware of the situation and will be reviewing it.

### Child Abuse Program - Child Protection Centre

**MR. SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** Mr. Speaker, on Friday, March 15th, the Honourable Member for St. Norbert asked why our department was holding up a \$65,000 grant to expand the Child Abuse Program, indicating that the Federal

Government and the City of Winnipeg were in support of it.

Mr. Speaker, I would like to draw the attention of the member to the fact that grant was being requested of Core Area Initiatives and not of our department; and in a letter of mid-February, I have three indications in the letter that the Provincial Government was, in fact, in support of the grant.

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

**MR. G. MERCIER:** Mr. Speaker, I was aware it was an application to the Core Area Initiative. My question then is to the Minister of Urban Affairs responsible for the Core Area Initiative Grant. In view of the support by the Provincial Government, the Federal Government, and I believe the City of Winnipeg, why hasn't the Core Area Initiative approved this grant of \$65,000 for the Child Abuse Program operating out of the Health Sciences Centre by Drs. Ferguson and McRae?

I'll repeat the question, Mr. Speaker, because the Minister didn't hear it. Mr. Speaker, in view of the answer by the Minister of Community Services that her department is supportive of the application for a grant of \$65,000 from the Core Area Initiative for a Child Abuse Program operated by Drs. Ferguson and McRae, and in view of the, I believe it has the support of the Federal Government and the City of Winnipeg, why hasn't this grant for this important program which treats third-party victims of sexual abuse who do not presently have treatment available to them, why hasn't this grant been approved?

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

**HON. L. DESJARDINS:** Mr. Speaker, my understanding of the Core Area is that it's a partnership with three partners, and there is also the staff, and the recommendations are made. We meet occasionally, the three partners. We met once, and this wasn't on the agenda at all. I'll try to find out why. If it's approved by the three parties, it should proceed immediately.

**MR. SPEAKER:** Order please. The time for Oral Questions has expired.

### MATTER OF PERSONAL PRIVILEGE

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

**MR. B. RANSOM:** Mr. Speaker, I rise on a matter of personal privilege. As you are aware, Mr. Speaker, every member of the House who is recognized in the debate, such as the Throne Speech Debate, has the right to speak for 40 minutes.

I rose last night to speak in the Throne Speech Debate. While speaking, Mr. Speaker, the Minister of Energy and Mines went and addressed you in your Chair. I was subsequently advised that my speaking time had allotted and, following that, the Minister of Energy and Mines rose to speak on the Throne Speech Debate.

It seemed to me, Mr. Speaker, that I had not received the full allotment of time, but sometimes time does fly

when you are speaking in such a debate. Having finished and relinquished the floor, Mr. Speaker, at your request, some of my colleagues suggested to me that I had not received my full 40 minute allotment. We have since confirmed, through the running of the tapes and timing of the tapes, that indeed I was deprived of 5 minutes of time to speak. I am simply asking, and this is an unusual point of privilege, Mr. Speaker, but I am asking for your assurance that you were not in any way influenced by the Minister of Energy and Mines, and that it was simply an oversight on your part.

### SPEAKER'S RULING

**MR. SPEAKER:** Order please. The honourable member is aware that a matter of privilege should be followed by a substantive motion enabling the House to make the necessary reparation. Therefore, the honourable member doesn't have a point of privilege. However, it is of sufficient seriousness that I will look into the matter, and report back to the honourable member and the House.

### ORDERS OF THE DAY

#### ORDERS FOR RETURN

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

**MR. D. BLAKE:** Thank you, Mr. Speaker. I beg to move, seconded by the Honourable Member for Swan River, THAT an Order of the House do issue for the return of the following information:

1. The complete advertising budget of the Storm Disaster Assistance Program from January 1, 1983 to January 1, 1985 showing placement and frequency of all television, radio, newspaper and flyer advertising.
2. The names of all firms or agencies producing material for advertising for the Storm Disaster Assistance Program.
3. The number of employees on staff, contract or term working for the Storm Disaster Assistance Program between January 1, 1983 and January 1, 1985, and for each employee their
  - (a) name
  - (b) address
  - (c) terms of employment
  - (d) salaries, wages or remuneration
  - (e) positions or job titles
4. Copies of all expense accounts of employees working for the Storm Disaster Assistance Program between January 1, 1983 and January 1, 1985.
5. The total number of offices and locations leased, rented or owned and their costs paid by the Storm Disaster Assistance Program.
6. The cost to lease, rent, or buy cars for the Storm Disaster Assistance Program.

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

**HON. A. ANSTETT:** Mr. Speaker, we are prepared to accept this Order, subject to a couple of minor changes

which I have discussed with the Honourable Member for Minnedosa. Under Item 3, it is not customary to provide the home address of civil servants; and the salaries, wages and remuneration we would suggest be broken into the two years involved 1983, 1984 and reported that way, and rather than the provision of copies of all expense accounts which would normally be done under an Address for Papers, or else through the mechanism of the Public Accounts Committee, what we would be prepared to do instead of item 4 is provide under the list of items in No. 3, the total expenses paid to each employee in each of those two years. It will provide virtually all the same information, but without the actual copies of expense accounts.

If that's agreeable, Mr. Speaker, we're certainly agreeable to the order with those conditions.

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

**MR. D. BLAKE:** Thank you, Mr. Speaker.

Yes, we've discussed those changes. That is quite acceptable to this side of the House.

**MOTION presented and carried.**

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

**HON. A. ANSTETT:** Mr. Speaker, would you please call the Second Reading on Bill No. 2, standing in the name of my colleague, the Honourable Minister of Health?

## SECOND READING

### BILL NO. 2 - AN ACT TO AMEND THE HEALTH SERVICES INSURANCE ACT

**HON. L. DESJARDINS** presented Bill No. 2, An Act to amend The Health Services Insurance Act for Second Reading.

**MOTION presented.**

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

**HON. L. DESJARDINS:** Mr. Speaker, I certainly would not want to minimize and detract from the importance of this resolution. It is probably one of the most important that we have in front of us at this Session, but it is a fairly simple one and I don't intend to take too much time of the House. I will endeavour to take notes of the question of concern that might be presented during the debate and I will try to answer that in closing this debate.

The amendment to legislation that we wish to introduce would eliminate extra billing under The Health Services Insurance Act. Now this will apply to physicians and all of the providers of services and that, of course, is with respect to insurance services rendered under this Act.

As you know, that The Canada Health Act which was passed by the Parliament of Canada last year, and which was approved in principle by all the three major

political parties federally, contains penalties for those provinces that permit hospital user fees or extra billing. The Federal Government penalized the provinces on a dollar-for-dollar basis relative to funds collected through user fees and extra billing. While Manitoba does not have user fees, the province is presently losing approximately 1.4 million annually in federal funding because of extra billing and that probably would increase; 1.4 million is the amount of extra billing by about 75 physicians or approximately 4 percent of all the doctors registered with the Manitoba Health Services Commission.

The Manitoba Medical Association has requested and government has agreed to a package for a trial period of three years which would see a binding arbitration used to settle fee disputes. I think that we should remember that Justice Hall had recommended that there should not be any extra billing, but he had also recommended that there could be binding arbitration. I think like many members from both sides of the House, we were concerned with the extra billing. I wish to emphasize, this was not any deal at all or a compromise at all. The announcement was made last year in the House that we would bring in this legislation. We had three years to bring it in, it's over a year now. All we would lose at that time would be the interest but not the actual amount. This will be repaid to us. So, therefore, we wanted to do it in an orderly way.

But the MMA have been wanting to discuss with us at this time, the different possibility, the main topic of discussion was the will and the desire to work together to protect this plan because we are faced with some pretty major problems, as I think we all recognize here in this House, if we're going to keep the excellent health services that we have in Manitoba and in Canada. So the situation is, while not at the request of the MMA, we are ready to introduce a compulsory binding arbitration on a trial basis for three years.

Now I might as well cover that, I probably will be asked this question. As you know, there is a group of people who call themselves the "independent physicians" who are in some kind of a battle with their main body, the MMA, at this time, and I think they were successful in getting an injunction of some kind against the MMA, saying fine, that they would not bargain for them.

The situation is that I don't see that changing anything at all. I think we are certainly in the right in bringing in this legislation to conform with the request and the wishes of all the politicians in Ottawa and to protect the plan. Now this is something for which we accept full responsibility. It is not the MMA that surrendered that right at all. I want to make that quite clear. I don't think the MMA should be blamed for that at all. This is something that we had announced.

Now the only thing that would make any difference with that group would be, if they don't want binding arbitration - that was placed to a vote - and of course, there were two things that were voted on by all the members of the MMA including these people, and all the doctors were affected. There was a question of binding arbitration which was passed - I haven't got the exact percentage but done in a democratic way at their request - I wouldn't have minded at all if they hadn't passed, so that of course will not take effect because we've settled this for another year anyway. So

we'll see what happens until then. The question of compulsory dues, that was refused, and therefore, we are not introducing legislation at this time.

Now, we should understand this, this does not prevent any physician from opting out. There is a difference between opting out. There's some people might opt out on a question of principle. They feel they don't want to be on the plan as such and, therefore, they do not have any direct dealing with the government as such. They receive their payment from the patient and that could still be done. It is the extra billing that will not be allowed.

The act did not insist that the other providers of service would be covered in that, for the simple reason that it had no jurisdiction because it's not funding those areas at all; there's no funds that are coming from Ottawa. But it was felt that for administration purposes and uniformity, that the same thing should be done. Now, of course, in the case of some people who are receiving just a partial coverage in some specialties, such as the optometrists and the chiropractors and so on, it is only the visits that are covered and that would be subject to that, of course. The X-rays and that are not covered; so of course there will be extra billing on those issues.

So with those words, and as I said, I think it is an important piece of legislation but a fairly simple procedure to understand. I will take my seat and try to take note of all the concerns and questions and try to answer them.

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

**MR. G. MERCIER:** Mr. Speaker, I have a couple of questions for clarification.

The first one, Mr. Speaker, is the Minister saying that no matter what the outcome of the court action between this independent group of physicians that the Minister intends to proceed with this bill. What I'm saying is, even if the group of independent physicians were successful in having a new vote from the Medical Association in turning down the proposal or reversing their position on a proposal, is the Minister saying that he would still proceed with this bill?

**HON. L. DESJARDINS:** Yes, I should explain. That's what I was trying to explain and apparently, not too well.

The situation is that I announced in this very House last year that we would bring in legislation. We had three years to bring it in. So I said bring it in this year in an orderly way to try to discuss and give it a chance to have some understanding with the medical profession. Now, that was announced. That has nothing to do with any dealing, this is not something that was discussed as such, or open to negotiation, or veto, or trade off, or anything like that. That wasn't done. No matter what was said, that wasn't the case. That's going on anyway. Now, the only thing is that the discussion was on three things, I guess: binding arbitration; compulsory dues, payment of dues; and on the general topic of relationship and working together. I don't imagine that any group of doctors will say we don't want to work with you, of course, that we don't want

to work together with the rest of the population and see if we can approve this plan. That's No. 1.

No. 2, there was one piece of suggestion, of recommendation, from the MMA that was turned down. That's the compulsory dues.

Thirdly, the question of extra billing is one of the things they opposed, and I'm saying it would not have any effect for one year anyway, so we don't have to act on that. I mean it is settled, we would have to wait, and that would come only next year, then we'll see. We'll certainly obey whatever is ordered by the courts, the power that be, but the binding arbitration, the no-extra billing that I'm introducing today, has nothing to do with this at all.

**MR. G. MERCIER:** A second question, Mr. Speaker. Would this bill prevent a doctor from operating a private clinic to which individual citizens would go and simply pay for medical services out of their own pocket without any involvement of government funding?

**HON. L. DESJARDINS:** Yes, Mr. Speaker. This was something that concerned us very much. I think my honourable friend is suggesting, I'm referring to what is commonly known as the Quebec model, whereas neither the patient nor the doctor is protected. It is just on their own, paying their own bills, no refund from the government. I think that is what my honourable friend is mentioning. That normally, I would think, would be allowed. It is a difficult decision. I discussed that with the Federal Minister, and I think that both the Federal Minister of Health and myself agree that the main thing is availability of service and universality. This would be very difficult. You would have that certainly you could not deliver the service, if you had that case.

For instance, if in a geographic location around certain places, Brandon or anywhere, because there has been a problem in Brandon before, if everybody opted out, you could not have this service. Or then, if there was a certain shortage of specialists and so on, and if they all decided to opt out, it would defeat the purpose. So it was reluctantly that we had to go along with that, and pretty well I would think, although I'm not going to suggest that the Federal Minister was dictating to us, but in discussions that we've had it was felt by both levels of government that the important thing to do is to protect the universality of the plan if you're going to keep on.

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

**MR. D. ORCHARD:** Now, I may have missed it. He may have given it at the first of the speech because I wasn't in here; and, secondly, Mr. Speaker, these useless earphones do not allow me to hear sometimes, and I hope that we can resolve the problem. No, it's not your fault. You're speaking lowly, and these things don't work. So, Mr. Speaker, if the Minister has answered the question I apologize, but did he indicate the number of doctors that are currently extra billing in the Province of Manitoba?

**HON. L. DESJARDINS:** Approximately 75 positions, or approximately 4 percent of all the doctors registered with the Manitoba Health Services Commission. I say

approximately because that varies a small degree on those who opted out.

**MR. D. ORCHARD:** Does the Minister also have the value of extra billing of the doctors, those 75 approximately, who are extra billing patients in the province?

**HON. L. DESJARDINS:** If this is permissible, if this was allowed, if I'm not off my time yet, or with leave, I wonder if I can give some other information that might help, that I forgot, on extra billing. Well, I guess I might as well read it because I got notes on this.

An estimated \$1.4 million of provincial money will be lost annually to the Federal Government under the provision of The Canada Health Act if Manitoba does not take action to eliminate extra billing. These are just points, different notes, that I have received. Extra billing is almost universal.

The amount opted-out physicians submitting claims, 92 percent of the physicians submitting claims are extra billing some of their patients. The average percentage amount of extra billing by individual physicians who extra bill range from 7.2 to 68.6 percent over Manitoban Health Services Commission payment for those claims where extra billing takes place. Almost 30 percent of the opted-out physicians are charging at least 30 percent over the Manitoba Health Service Commission payment. 57.7 percent of the physicians involved in extra billing are doing so on at least 60 percent of their claim. The overall average percentage extra billed by all specialties for the under-age-65 group is 30.1 percent more than the Manitoba Health Services Commission payment. The 65-and-over segment of the population is extra billed on an average 24.2 percent over the Manitoba Health Services Commission payment. The result is in a 28.4 percent markup on the Manitoba Health Services Commission fees for all age groups by opted-out physicians involved in extra billing. The average percentage amount of extra billing by physicians that extra bill is as high as 37.1 percent in psychiatry, 36.6 percent ophthalmology and 23.8 percent obstetrics and gynecology.

The percentage difference between the total Manitoba Health Service Commission payments to all opted-out physicians and their total billing is approximately 19 percent. Based upon payments made during the fiscal year April 1, 1983 to March 31, 1984, the average annual payment to opted-in physician was \$111,867, whereas the average billing to the Manitoba Health Service Commission by opted-out physicians for the same period was \$123,608.00. Thus the average opted-out physician billing amounts to \$147,094, or approximately \$35,227 more than their opted-in colleagues' billing. Now this was prepared for the MMA for their meetings at the request of the MMA.

There is different information that I have about an idea of how much some of them are extra billing and so on, but unless — (Interjection) — I can try and compile some of that information.

**MR. SPEAKER:** Are you ready for the question?  
The Honourable Member for Pembina.

**MR. D. ORCHARD:** Thank you, Mr. Speaker. I want to make sure that I understood the Minister. He said that

under the formula of The Canada Health Act the province will lose \$1.4 million annually, approximately. Is that a \$2 for \$1 formula? — (Interjection) — One for one, sorry. Okay.

Now, the other point that the Minister made at the latter part of his remarks was on the timing of this legislation, the effect of this legislation. Will the extra billing be stopped the moment Royal Assent is given to this bill? There is not fixed date in it, it'll be at Royal Assent, or, pardon me, by proclamation, Mr. Speaker?

**HON. L. DESJARDINS:** . . . that we have in front of us, the act comes to force on a day fixed by proclamation.

**MR. SPEAKER:** Are you ready for the question?  
The Honourable Member for Pembina.

**MR. D. ORCHARD:** Mr. Speaker, I beg to move, seconded by the Opposition House Leader, that debate be adjourned.

**MOTION presented and carried.**

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

**HON. A. ANSTETT:** Mr. Speaker, I'd like to move, seconded by the Minister of Finance, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

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

## COMMITTEE OF SUPPLY

### INTERIM SUPPLY

**MR. CHAIRMAN, P. EYLER:** We are considering the resolution for Interim Supply.

RESOLVED that a sum not exceeding \$956,654,520, being 30 percent of the total sums voted as set forth in The Appropriation Act, 1984, be granted to Her Majesty for the Fiscal Year ending the 31st day of March, 1986.

Does the Minister have an opening statement?  
The Minister of Finance.

**HON. V. SCHROEDER:** An understanding of how we arrived at the numbers, we took 30 percent of the amount of spending authority which was voted in The Appropriation Act, 1984. That happens to be the same percentage as has been voted in every year, excepting last year, since 1980. — (Interjection) — Well, last year we had an unusual opposition. Last year, of course, there was a different procedure employed, that of the Special Warrant, which meant that we didn't require this kind of procedure.

We expect that this would provide us with spending authority till late June in 1984-85. Actual expenditure to the end of June, excluding statutory items, was 24

percent of the total sums voted under The Appropriation Act, 1984. Since '78 - well, I think I should just leave it at that. It's a general explanation of why - oh, I should also point out that the spending Estimates will be tabled tomorrow evening, along with the Budget, in a way similar to what we have been doing in the last several years.

**MR. CHAIRMAN:** The Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Chairman. I want to take this opportunity to register a number of concerns that I have with regard to the spending of this government as well as the direction that some of the policies and the spending allocations are taking us.

Mr. Chairman, I think that most Manitobans in the last year have realized that the New Democrats do have a serious identity crisis. Mr. Chairman, let me just elaborate on that at some length. One of the difficulties that this government faces is that they got themselves into a real box with one piece of legislation which, Mr. Chairman, wasn't even mentioned in the Throne Speech or hasn't even been mentioned by one member opposite in any of the speeches that we heard during the Throne Speech, that of course was the language issue.

What has happened, Mr. Chairman, is that the people of Manitoba have lost confidence in these members opposite. They have lost confidence in the government. Let me elaborate and tell you why that happened. There was a certain amount of trust and confidence placed when the members opposite were elected. They were elected on hopes of economic growth, on doing things which would be in the best interests of the majority of Manitobans and one of their major platforms was that they would listen to people. They then proceeded to tackle the language issue which - and I think history will show this - will be one of the most divisive actions of any government and will show that this government was so out of touch with the reality of what people really wanted out there that it will inevitably - and, Mr. Chairperson, I have no hesitation in saying this - it will cost them the next election. The people have lost confidence in this government.

Now, in order to try and build back that confidence, they are suddenly tackling issues which they, when they were in opposition, and which their party in an ideological basis would never have touched with a 10-foot pole. Take, for example, the couple of things that we have witnessed in the first week of this Session.

We see the Minister of Technology announcing outright grants to businesses, to large corporations.

**HON. V. SCHROEDER:** Shame!

**MR. R. BANMAN:** Mr. Chairman, the Minister of Finance says "shame." It is shameful because I've sat here for 12 years listening to the members opposite, the New Democratic Party, yelling and screaming about the corporate welfare bums. Everytime somebody would have a program like Enterprise Manitoba which would go out and help some small entrepreneurs who wished to get started in the province, what would happen? They would attack that program. But here in this last week we see them now not only giving grants, outright grants, we are now getting into the loaning and

guaranteeing business. It was all done under the guise of the Jobs Fund.

But upon further questioning, and, Mr. Chairman, I can assure you, there are going to be a lot more questions asked on this subject but really, in essence, what the Minister of Trade and Technology said before, a week ago, is that they are, for all intents and purposes, reactivating what? The Manitoba Development Corporation. It isn't the Jobs Fund that will be guaranteeing or loaning the company's money; it's the MDC.

Now, Mr. Chairman, I believe that is a pretty significant turnaround for members opposite, and they must be pretty desperate to forsake one of their basic principles and policies that they have adhered to for the last 20 years to suddenly do an about-face.

Mr. Chairman, what is particularly interesting, with the exception of the interest free loan which went to the Toro plant in my riding, the government has moved on the other two outright grants. And the Toro plant didn't get an outright grant; I think they got an interest free loan which is going to be retained, but the other two industries that have been announced in the last little while were both industries that received money not for them to bring new business in, it was to keep the business here, to keep it here.

Mr. Chairman, I know the dilemma this government faces and it's one all Governments of Manitoba have faced. You've got Alberta, you've got Ontario, you've got all these governments standing there ready to offer assistance to any plant that is ready to locate. It is a problem that we face in Canada because we get into bidding wars for different businesses, which I don't like and I think which the average person in Manitoba doesn't like, but what has happened is that instead of adhering to what they had been preaching to for the last 20 years, they have forsaken that principle because they realize they are in trouble with the electorate and they want to conjure up some favours with them.

I suggest to you, Mr. Chairman, that the New Democrats in their polling have had it indicated to them that they are very poor as far as the public perception is concerned at attracting business. I suggest to you that this particular piece of legislation is motivated by that.

And there are some real pitfalls when we get into this MDC. It's going to be interesting to see whether they've done it under Part II of the act or if they are starting to use the board, if it's by Cabinet order instructing the MDC board to do it or if the MDC board is really reviewing some of these things, and those are questions which will all be legitimately asked in Economic Development.

But let me deal with another aspect where they have now already significantly altered their policies and beliefs as far as the public and private enterprise is concerned.

We now have again the same Minister, who is in charge of Flyer Industries, talking about selling a Crown corporation. Mr. Chairman, a short couple of years ago you had the same members opposite who, when you mentioned the word of trying to find a buyer for a Crown corporation that was in competition in the marketplace - I'm not talking about Hydro or Telephones - but when you were dealing with just breathing a word about trying to privatize one of these companies, the

hue and cry that arose from the New Democratic Party was one which many of us in this House still sort of hear echoing in our ears. And now we have them saying, hey, we might join Venture; we're looking for bids; we're waiting for people to come in because we want to sell this thing.

Now, that is one part of the policy change that they've taken, but the other one which has really hurt them because this is a belief that this party was founded on, and that is that government could run business as well as anybody else could. Mr. Chairman, I've sat here from 1973 on, and they used to get up and say, boy, we should own this. We should really be in the business, and we shouldn't let the private people do it, the people of Manitoba should own it. In their election material it was, who was going to pay for all the increased education costs and everything? It was going to be ManOil. We haven't seen a cent out of that company yet. We're four years down the tube. We haven't seen a cent.

What they're realizing with companies like Flyer, McKenzie Seeds, and yes, Mr. Chairman, Manfor, we're spending \$40 million a year just keeping these businesses afloat, and they're finding out that they cannot run them because no government can make the tough decisions that have to be made on a daily basis in business. And, Mr. Chairman, what happens is that it deals with people, it deals with unions, it deals with environment, it deals with all of these things, and you cannot run a business by making a decision which takes six months to make. The decision that is then made is made with one overriding concern and that is the politics. How are we going to be perceived in that riding if we lay people off, even though we should do it?

So the New Democrats, Mr. Chairman, are as I said in a real identity crisis. They are making a major change in their philosophical and policy areas, and they are moving into a time and place where really they are coming out of this whole four years in government, of really being totally rudderless, and the people out there sense that. The people out there have lost confidence in this government. This government is now asking the people to show their confidence in them by supporting them and then trusting this whole Limestone operation to this government.

Mr. Chairman, the people out there, as I said, do not have the confidence in these people opposite to allow them to undertake massive projects and be comfortable that something won't go wrong. It's been proven, they can't run business. Mr. Chairman, it's been proven that they do not understand the average person's feelings on many issues; and now, in their final year in government, they are now trying to, via polls and via what I consider an extravagant advertising campaign, trying to get the people to really believe that they are the good managers and the people that can carry this province and its problems into the 1990s.

One of the questions that is asked most often of me, as I travel through the province and as I go into the coffee shops in my constituency, is the one which says, when is the election? When do you think the election is going to be? And the reason they ask me that question is because they want to see the gentlemen and ladies opposite removed from office. They have had it with the payroll tax. They have had it with the

anti-small business and anti-employment attitude of this government.

My goodness, Mr. Chairman, I just have to touch on this, and I know it's been bandied back and forth across the House, but for the Minister of Labour on television to surrender his Eaton's card in a defiant act of supporting, not the workers at Eatons because after all our legislation allows the workers the right to vote whether they want that union or not, but it was a blatant move to support, what? - one narrow segment of the Manitoba . . .

**A MEMBER:** Not in Manitoba.

**MR. R. BANMAN:** My colleague is right, not in Manitoba - but Canadian or international union bosses.

Here the Minister of Labour, who is supposed to be the champion of trying to create labour harmony in this province blatantly displays an act which I really have to thank him for because it indicates to the small businessmen, and it indicates to manufacturers and everybody in this province, that this Minister of Labour has a bias, and a very strong bias. The person who is charged with the obligation of making sure that there is harmony between management and labour, the one who is supposed to be bringing jobs and creating jobs in here, in this province of ours, which we so desperately need, has a bias and displays that bias on TV, Mr. Chairman.

So now we have a First Minister who appoints this Minister of Labour who, as I said earlier, is not acting in the best interests of Manitobans and I think it would make eminent good sense. I guess the biggest problem the First Minister has is who else would he put in that post right now. — (Interjection) — See, you've got the Minister of Agriculture now saying, we'll blame it on the Minister of Labour.

I want to tell the Minister of Agriculture that when he sits in that Treasury Bench there, and he has a Minister that shows a blatant disrespect for one equation within this management-labour relations, that particular individual cannot sit down and appoint arbitrators and try and work out a compromise; he can't. He's got a bias and he showed it on TV the other day.

So, Mr. Chairman, when we sit here with 51,000 people unemployed, we've got 51,000 people receiving unemployment in this province of ours, then we have a situation where the government is now, instead of trying to create some harmony and trying to create some atmosphere for the advancement of small business and the job opportunities for the average person, we have this kind of man now running The Labour Relations Act in this province.

As I said at the opening, Mr. Chairman, this government does definitely have an identity crisis. And as we go down the list of things that the government is trying to do via their advertising; there's \$95,000 being spent now apparently on lotteries advertising to tell people how good the lotteries are; we've got \$125,000 being spent on just apparently creative work for the Limestone project; another 600,000 being spent on paid advertising to prop up the government image. But the people of Manitoba are a lot smarter than to be fooled by a bunch of glossy backdrops and glossy

literature and I know they will resent their money being spent in that kind of a manner.

We have some interesting things happening - the Minister of Finance, who I think feels the pressure from all sides now, as I would venture to say all Ministers of Finance do right across the country, because they're all trying to cope with deficits and trying to balance the demands of the people on them.

But we had an interesting thing happen here two days ago when we had the announcement of the MGEA contract. We had the Minister get up and say that really an extra week that we're giving our employees off really doesn't cost anything. I think this Minister was trying to negotiate as hard as he could to try and keep that negotiated settlement at a 0 percent increase this year and, therefore, went ahead and gave an extra week of holidays.

Mr. Chairman, I've done a little bit of calculating. It doesn't take very much. I would say an extra week to a person who is starting off and who normally gets two weeks holidays - in the Civil Service they get three now - if you give that person another week that benefit is more than a 2 percent benefit for that year. So what we have happening now is, we have employees who have been employed by the government for 20 years, who before I believe received six weeks vacation, will now receive seven.

Mr. Chairman, when the farmer is going bankrupt, business people are facing high unemployment, a lot of the employees out there, the people who want the jobs are just trying to make ends meet and hang on to their jobs, there is small comfort in seeing somebody that is paid for by taxpayers, by their hard-earned dollars, getting seven weeks holidays.

Mr. Chairman, that is the real problem that we face out there and it's a real problem, because there is no way anybody who is running a farm, anybody that's doing any little bit of business, anybody that's trying hard to keep their jobs and working hard for a living, outside of this public sector, can you even come close. To make \$35,000 in the private sector and get seven weeks holidays is extremely difficult.

The Minister of Agriculture knows what the farm community is faced with. How do you make \$35,000 without investing a substantial amount of money in the job, and then get seven weeks holidays? That is one of the underlying problems that we face not only in Manitoba but in Canada today, because the private sector cannot compete with the type of benefits and the type of wages that the government is paying. Yet it is the private sector, the worker, the small businessperson who is funding and paying the taxes for them and therein lies a real dilemma. So when we look at a settlement which gives someone another week of holidays, you really have to sit down and ask yourself whether or not there isn't going to be some justice in this world somewhere along the line.

I do not believe that this government can ever undo the lack of and the loss of the confidence of the people of Manitoba. I think that the number of quick fix things that they are trying to do, the Jobs Fund advertising, the Limestone advertising, the Lottery advertising might reap them a few short-term gains, but I believe that the people of Manitoba are much smarter than the members opposite give them credit for. My belief comes from something that I saw happen here a short year

ago where this government, faced by action from those people and pressure from those people, saw the error of their ways and withdrew the legislation that they were proposing.

I look forward, Mr. Chairman, to future debates. I look forward really to one thing right now, and the sooner the better. I think, as I mentioned earlier, my constituents would dearly love an election. I think the people of Manitoba would dearly love an election.

I would give the Minister of Finance one good word of advice. Why doesn't he table the Budget on Thursday; get up and announce it, and why doesn't he then take his Premier and walk over to Government House over here, and call an election. I think that's the best thing they could do for the people of Manitoba. They'd do themselves a favour and put them out of their misery and, Mr. Chairman, we could once again have a government that does really reflect the concerns of the people of Manitoba and not a few small vested interest groups.

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

**MR. R. DOERN:** Thank you, Mr. Chairman. I must say that was an interesting speech made by the honourable member, and I was particularly interested in his observations about an identity crisis because I think there are a lot of people who are supporters of the government who have been very disappointed in the performance of the administration and of some of the so-called bright lights which appear to have grown dim in the process. So there is a problem, Mr. Chairman, not only, I think, within the caucus, but particularly within the party. There are people who are, I think, confused and perplexed about the performance of the Pawley administration.

There are, on the other hand however, people who know exactly what they're doing and who are absolutely satisfied with the performance of the government, and that is, I think, the labour movement and the women's movement. They would give full marks, a 100 percent rating on a scale to the present administration. So they don't have any of these problems because the government is doing exactly and precisely what they want.

Mr. Chairman, we have seen an interesting performance on the part of the government in the last few weeks right in this very Chamber. We have seen, for example, instances of what might be considered stupidity. We have seen, Mr. Chairman, instances where the government doesn't appear to know what it is doing. In some cases, Mr. Chairman, I think that is true, that there are genuine instances where Ministers have demonstrated that they have been ignorant of certain things. But then there are other instances, Mr. Chairman, where Ministers have pretended that they don't know what's going on, and I think that is something else.

Mr. Chairman, I think it is in fact legitimate on occasion for a Minister not to know what is going on if, for example, someone is new or if, for example, somebody hasn't been properly informed by their department. Mr. Chairman, I think we had an example of that last week.

There was a national report that came out on pollution. The Minister of the Environment didn't know about it, and I say that, well it was difficult to accept,

but I believe the Minister. He's a new Minister. His staff goofed. Where was his staff? Where was his secretary and his assistants and his Deputy Minister and his Special Assistant and all of these people who are supposed to clue him in? Mr. Chairman, don't they listen to the radio? Don't they read the newspapers? Aren't they aware of developments that are going on? Mr. Chairman, I found that hard to believe, but nevertheless I would accept that.

The Minister of Labour last week, when asked about his former role as Minister of Natural Resources, and it came to the Canadian Nature Federation, he said I never heard of them. Mr. Chairman, I thought the Minister was putting me on. I thought he was putting the people of Manitoba on. When he said that on television, I couldn't believe it, but then he said that to me in private and I knew he wasn't kidding. I knew that he in fact didn't know about this particular organization, that he was in fact telling the truth.

Mr. Chairman, I find that a weakness, a shocking admission on the part of the Minister who sort of suggested, well, I never heard of them, the Canadian Nature Federation. Mr. Chairman, there you are. The Member for Inkster, he's a member of the Canadian Nature Federation. Mr. Chairman, they have 160,000 members in their organization. Mr. Chairman, they have been around since 1971.

**A MEMBER:** Had you ever heard of them, Russ?

**MR. R. DOERN:** Mr. Chairman, I admit I had not heard of them. I had heard of various organizations; I'm not embarrassed to admit that. I was never the Minister of Natural Resources. I have never pretended to be an expert on the environment, Mr. Chairman, but I expect the Minister of Natural Resources to know something about it, and I expect the Minister responsible for the Environment to know something about these organizations.

But I'll tell you this, I know something about HERizons magazine. I heard of them a few years ago. I heard of them when they were attacking the Pope. I heard of them when they were on the newsstands of this particular province, Mr. Chairman.

Mr. Chairman, one of the problems is that when you corner a Minister, you really see the value of that person as to what they will do and what they will say to avoid embarrassment. Mr. Chairman, I think we had a good illustration of that the other day when the brand-newest Minister of all, one of the nicest guys I think in this Chamber or ever been in this Chamber in my judgment, he made a mistake. He got up and he apologized. He did the right thing and we respect him for it. We forgive him for his mistake. We don't criticize him for his lack of information or experience. If you make a mistake, anybody can make a mistake, Mr. Chairman.

We have a government here who doesn't like to admit to making a mistake. We have a government here that is weak and finds it difficult to say no to people, so when they are pressed by the labour movement, they cannot say no; and when they are pressed by the women's movement, and they have four out of five women in the Cabinet who are very very enthusiastic supporters and leaders - not supporters alone - leaders, foremost feminists in Manitoba, two of them present,

two of them not here, but four out of five for sure, Mr. Chairman, are indeed leaders of this particular movement.

Mr. Chairman, I find that the example set by the First Minister in regard to his Ministers to be a poor one, because when he gets trapped or tripped up he will immediately explain everything away. Now, the honourable member not too long ago in the midst of the French Language Debate brought out a letter signed by the Premier, and the Premier found that he had used the wrong words or the wrong words were therein contained, how did he explain this? Did he stand up and defend what he had done? No, Mr. Chairman, it was a typographical error.

What were the two words? I forget what the two words were. They obviously were quite different; they wouldn't fit in the same area. It obviously wasn't a typographical error, but that's the explanation that we got — (Interjection) — well, it was more than the wrong key. You know, I have a typewriter and I know how to type. There's an "a," "s," "d," "f." I mean, you know, sometimes by looking at the word if there was an error, a finger went astray but, if you find that an entirely different word was stuck into a letter, no secretary would do that. There could be a misspelling. There could be a slight misunderstanding, but you don't substitute one totally different word for another totally different word.

Mr. Chairman, I say that although we have the impression on occasion that the government is making a mistake and that any government can make mistakes, we in opposition will forgive the government any time they make a genuine mistake. I say, in many cases, they're putting us on; they are playing dumb. They don't know whereof they speak.

Mr. Chairman, I find that difficult to stomach, and I want to take the example that we have been debating and that the Member for Morris raised and that I have been very interested in, and that the Minister of Education just washes her hands of completely, and that is the fact that this government has undertaken a program which in principle is a good program, and that is a program to support Manitoba publishers, publishers of books and magazines. I doubt if there is a member in this Chamber who doesn't support that program in principle, but now when we get down to the execution of that program and the implementation of that program, then we have a legitimate argument.

What happened, Mr. Chairman? What happened was that the Minister of Culture - and he said that he had the support or the authorization or consultation of the Department of Education - said to all the school librarians in junior and senior high in Manitoba, we have a program and we're giving you money to buy these magazines. Mr. Chairman, some of those magazines are fine, but some of those magazines are foul.

Mr. Chairman, at least two of them should never have appeared on that list, should never be supported by this government in its Cultural Affairs, should not be supported by the Minister of Education or her department, should not be supported by the Department of Labour that advertises in it, should not be supported by the Deputy Minister whose name appears on advertisements regularly with that publication, was supported in a private capacity by the law firm of Penner Zuken. That's up to them. If Penner

Zuken, when they were a firm, wanted to put ads in those journals, that was their problem. That was their right, but these people are using taxpayers' money to support pornographic and obscene magazines.

Mr. Chairman — (Interjection) — well, the Member for Wolseley says, what, because we know that every night before she goes to bed she has her pile of HERizons magazines, maybe a couple of Ms. magazines, and reads these magazines every night and says, way to go! Let's sock it to those guys! I mean we're sick and tired of men running our society. We are sick and tired of men making the decisions. We're sick and tired of all the discrimination against women, and we're going to get even. We're going to take over.

Well, Mr. Chairman, when the language is foul and the brand of feminism is extreme and the lesbians are writing articles and getting support from this publication, then I think it's a questionable publication. It is wrong, Mr. Chairman, to have that publication in the schools. It is wrong for the government to fund it. It is wrong for the Minister of Cultural Affairs to give it a \$10,000 grant this year. It is wrong for all these advertisements which provide thousands and thousands and thousands of dollars worth of revenue to go into that magazine, Mr. Chairman.

This government is in trouble on that issue. Mr. Chairman, I want to say that they are not alone, because there is somebody else who is involved in this issue who really deserves a swift kick - Lloyd Axworthy, good old Lloyd Axworthy. Mr. Chairman, he went out, he'll fund anything, anything that moves, that's alive, that will promise to deliver votes, he'll fund. Mr. Chairman, he went out and imagine this - I mean you're going to find this hard to believe - this wasn't funded under Cultural Affairs like Canada Council, no, because nobody in their right mind would say this was cultural, other than the Minister of Cultural Affairs of Manitoba who thanked people for supporting culture. Mr. Chairman, the Federal Government didn't fund it under the Canada Council, which one would assume. No, they funded it under Employment and Immigration — (Interjection) — because it creates employment. Come on, get with it. It creates employment, and we don't care who these people are. We don't care what they crank out, we're going to fund this magazine.

**MR. G. MERCIER:** How much?

**MR. R. DOERN:** The Member for St. Norbert wants to know how much. Two years ago, \$111,000.00.

**A MEMBER:** You're kidding!

**MR. R. DOERN:** You think I'm kidding. They gave \$111,000 to HERizons magazine from the Federal Government - Lloyd Axworthy, plus next year, Mr. Chairman, they gave \$196,000.00. Mr. Chairman, this year, they're giving \$212,000 or \$232,000, depending on where you get your figures from. Mr. Chairman. Yes, the Federal Government, the Department of Immigration and Employment — (Interjection) — for job creation. So, Mr. Chairman, we are, yes, it's Flora MacDonald, but remember that it was the Liberals who put that program in place, and it's now going to be up to the Conservatives to cut that program off. The boys in

Ottawa, the people in Ottawa, Flora MacDonald, the women in Ottawa, the persons in Ottawa, the congress persons in Washington, they should cut that sort of thing off, Mr. Chairman, cut it off, cauterize it, burn and destroy the garbage that emanates from this kind of publication.

So, Mr. Chairman, I say this is not the kind of publication that this government should fund, and I challenge the Member for Wolseley, an ardent supporter, a believer in the women's movement and in HERizons magazine, to get up and defend that garbage; and I challenge the Minister of Finance; and I challenge the Member for Inkster; and I challenge anybody on that side to get up and say in this House that the Government of Manitoba should fund that type of publication and should write to the school divisions and give them money and encourage them to put it in their libraries. Can you imagine your kid coming home with some of these magazines and saying, well, I got it from the school library, dad, mom! This is the sort of thing that we read. — (Interjection) —

Well, the member says it's better to get your porno at 7-Eleven. No, you can get it from your NDP Government free. Free, you don't have to go to 7-Eleven. You might get hit over the head with a beer bottle if you go there. Mr. Chairman, it's safer to go to your library and get it free and borrow it with the imprimatur of the Minister of Education and the approval of the Minister of Culture and the funding on behalf of these people.

Mr. Chairman, these publications are full, full of Manitoba Government ads. Oh, they're lovely publications, they're lovely articles. Here's one on coming out, how to come out if you want to finally reveal your "sexual preference." Here's one attacking the Pope. If you happen to be Catholic, you might appreciate that article, and you might recall the attack on the Pope that went on a year or so ago. These are the kind of articles they produce. And in between reading this important literature as they describe it, here's a nice full-page ad of February, 1984, signed by Howard Pawley, Premier, pushing the Jobs Fund. — (Interjection) — Well, this is in HERizons magazine, a full colour page Jobs Fund ad. Let's support this publication. — (Interjection) — Well, no, we should provide jobs for these people. That's what Mr. Axworthy did. You're in favour of that.

I say, if they want jobs, cut off the government grants, let them fend for themselves in the private sector. If they are so good, if there are so many women who think like you out there who want to buy their magazine, it'll be bought on its own merit providing it isn't obscene.

Mr. Chairman, there's also a half-page ad in the April, 1984 edition signed by Muriel Smith, the Honourable Muriel Smith. There she is. She is going to check and let us know whether or not she advertises in there.

Here's one on March 4th — (Interjection) — No, these aren't articles, these are ads. Another ad: Manitoba take another look. In this magazine do a double-take, not take another look.

And then here's a full-page ad, Mr. Chairman, by the Minister of Cultural Affairs. Oh, look at that, nice picture, semblance of a smile. A signature here, and listen to this, this isn't just an ad, members of the Assembly, it's not an ad, it's an announcement. "On behalf of my department, I am pleased to have awarded a special

grant of \$10,000 towards this issue of HERizons.' Well, Mr. Chairman, the Minister got up and said to this House a few days ago - try to cover up a little bit - got up in the House and announced emphatically - emphatically - Mr. Chairman, he said in 1983 to 1984 not a penny, not one penny from the Department of Cultural Affairs went to HERizons and he sat down. He didn't tell us what happened before then. He didn't tell us about the ads that he puts in, and he forgot to tell us about the \$10,000 grant. — (Interjection) — Well, trying to create an impression.

Now, the Minister of Education, who, when this thing hit last Friday, when the Member for Morris brought this thing up last Friday, hit the floor, went out the Chamber and jumped out the window, Mr. Chairman. And she is now too busy, doesn't have the 60 minutes she had on Friday. Friday, she had 60 minutes. She got her copy of Midcontinental, looked at that paragraph, fainted on the spot and made an announcement saying, Mr. Chairman, that she didn't have the time to look at HERizons magazine.

Mr. Chairman, this is a leader, this is a woman who would be leader of the New Democratic Party, who is active in the women's caucus of the New Democratic Party, who regards herself as an intelligent on-the-ball woman, who has been around as Minister of Education for almost four years. This publication has been around for five years. She's telling us that she never heard of it. She doesn't know about this magazine. Mr. Chairman, it sounds like the old days where someone comes up to you and says, hey, don't you remember me, I'm your old friend who hasn't seen you for 20 years, we went to school together. You turned to them and you say, I don't believe we've been introduced. Mr. Chairman, the Minister is running for cover. She is spending her time — (Interjection) — well, we'll debate censorship.

Mr. Chairman, I would like the Attorney-General to get up in this House and make a statement that he fully supports the financial support of that publication and its distribution and dissemination in our schools. I would like him to do so. If so, I will sit down right now.

**A MEMBER:** You don't need a book . . .

**MR. R. DOERN:** I don't either, I don't either. That's three things we're agreed on.

Mr. Chairman, the Minister of Education spends all her time posing with children in the schools, posing with children who don't have any clothes in the wintertime, posing with Steve Fonyo. I saw the Premier and the Minister of Education with Steve Fonyo. Poor Steve! They were all over the guy. They were in front of him; they were hanging on him; they were speaking away. I mean, he probably got beat up on the stairs of the Legislature, they were so anxious to associate with Steve Fonyo. But when it comes to pornography, the Minister posed on Friday as the champion of the people who are down and against pornography. Right? Within 60 minutes she ordered a directive: Get that thing out of our schools!

**A MEMBER:** Right.

**MR. R. DOERN:** Okay. She says she hasn't heard of it for five years. She's known about this publication at

least since Friday, or at least a couple of days ago when it's been drawn to her attention, but now, Mr. Chairman, she is too busy; she's a very busy lady.

She had time on Friday to read the publication, call a press conference, write a letter, take action. She spent two or three hours out of her busy schedule on that particular matter, but she is now too busy to look at a magazine that is as bad, if not worse, than that magazine, Mr. Chairman.

So, Mr. Chairman, I think that for the moment I will conclude my remarks and say to the government that, other than a few members on that side, I don't think there is anyone who really wants to get involved in funding these kind of publications.

But you know what? That same kind of mistake, Mr. Chairman, was made during the French language debate. There was almost no support for the proposals brought in by the Attorney-General, but a few people pushed it and then some of the heavyweights pushed it, and then it became a problem to speak up and one thing led to another.

I remember a line that was said by the Premier on one occasion. He said if you swam halfway across the river you may as well go to the other side. Mr. Chairman, I said something different. I say, if you are standing on the brink of a precipice you better not take another step forward.

Mr. Chairman, I would like to hear members on that side get up and defend Midcontinental because some of them must believe in that, like the Attorney-General - he's against book burning and everything. I would like to hear those who are for HERizons magazine get up and defend its editorial content, and I would like to hear those who are against its editorial content get up and disassociate themselves with it because, right now, ladies and gentlemen of the government, you are all on the hook, you are all supporting that publication, and you are all going to get killed on that issue.

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

**HON. V. SCHROEDER:** Thank you, Mr. Chairman. I had hoped, as the Minister of Energy indicated yesterday, that there would be some discussions of Limestone. We got nothing on that in question period today. I know that we are now apparently in for this particular debate going on for some time so I thought maybe it could shift the focus off the trivia that the Member for Elmwood so well is able to contribute and on to some of the real issues that Manitobans are concerned about.

The real issue is jobs and economic development. The real issue, Mr. Chairman, is what has the opposition, this dissipated ragtag group of incompetents come to? How low can an opposition go in terms of opposing an economic development which will be to the benefit of Manitobans?

Yesterday afternoon we witnessed in this House one of the most despicable examples of misinterpretation of truth that I have seen since I have come into this House when the Member for Lakeside got up and made inaccurate statement after inaccurate statement about the National Energy Board and its decision. I want this afternoon to spend a few minutes going back to that decision and reading some of the items in that decision to members of this Chamber because this happens to be a very important item for Manitobans.

There has been an allegation by the Member for Lakeside - he knows it's not true - an allegation that starting Limestone two years early is going to be a cost to the taxpayers of Manitoba, and that the National Energy Board did not refute that statement.

I refer members of the Chamber to Page 28 of the Board Order, and I am quoting on the cost recovery analysis. "In the board's cost recovery analysis, the approach taken, as in the applicant's analysis, was to determine the difference in net revenues to Manitoba Hydro between the export sale and the no-export sale cases. The results of the board's analysis for the sale sequence showed that Manitoba Hydro could be expected to derive net revenues" - not gross revenues, net revenues - "of about \$385 million from the two-year advancement case."

They go on in the next paragraph to say as follows: "The results of the board's analysis for the 500 megawatt only sequence, which is associated with a one-year advancement of Limestone, showed that Manitoba Hydro could be expected to derive net revenues of some \$365 million."

Now, Mr. Chairman, the analysis of Manitoba Hydro has been justified. This document indicates clearly that, first of all, sale versus no sale, if we have a sale we get at least the \$365 million in today's dollars with a one-year advancement; two-year advancement, net revenues \$385 million; that's what the board said. It's not up to them to tell us when we should start, but surely it's up to us to look at this kind of a report and make the right decision for the people of Manitoba.

What would be the right decision, to delay and waste money? Is that the right decision for the people of Manitoba, or is it to go ahead and save money and earn a profit of that \$20 million? What would you do?

The Member for Lakeside suggests that the board had no opinion and makes it appear that there would be some huge loss associated with early construction. He then went on and he said, I am a Manitoban; what is happening in Canada? We are not worrying about Canada, we are worried about Manitoba. And he suggests, again inaccurately, quite inaccurately, that it wouldn't be a net benefit to Manitoba. He suggests that somehow what we are doing here is going to assist Canada, but it won't assist Manitoba. Again the board refutes him on that argument. It refers very specifically to the fact that this particular sale will be of net benefit to Manitoba.

Now, I don't know why members opposite keep denying these things that are clearly in print, things that have been stated, so let's step back a bit, go back to 1981, the year those people had, "You're Sitting on a Gold Mine" ad - they were sitting on a land mine - but they had those ads out on what kind of a sale? Would that sale have provided the opportunity for the statement by the board that was made in this particular case, that the sale is at least at the rates that anybody in Manitoba will pay? And remember a few months ago, Chicken Little from Lakeside was saying — (Interjection) — a few months ago . . .

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

**HON. V. SCHROEDER:** . . . that we could sell Hydro to NSP for cheaper than we'd sell in Manitoba. This

board order says he was wrong on that. — (Interjection)  
—

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

The Member for Lakeside will have his opportunity to enter into this debate at a later time. We will be anticipating his responses.

The Minister of Finance.

**HON. V. SCHROEDER:** Thank you, Mr. Chairman. That's the sad thing about it. They can read, and they knew they were wrong when they stood up and said this nonsense. They're trying to scare the taxpayers of Manitoba with lies and half-truths.

They are now calling - would you believe - for a public hearing, Mr. Chairman, after they sat through a public hearing where we had the best experts in the field forward, where they could have asked any question they wanted, but they chose to "see no evil, hear no evil, speak no evil." They didn't want answers because they knew that every time they got an answer they would be demonstrated to be wrong again on this particular issue.

And what did they say in 1981 with respect to some public input on these kinds of sales? In 1981, Mr. Chairman - and I remind you that's not that many years ago - they were prepared on the basis of, I believe, a \$1.1 billion cost of Limestone and if it went higher than that it would be solely on the taxpayer of Manitoba's back; to provide the power from Limestone to Saskatchewan and Alberta at cost - I'm sorry, not from Limestone - for 25 years, a specific amount of power at that particular cost base, \$1.1 billion, and if we were losing, tough. If we were gaining, we were not entitled to make a profit on that particular sale. We were not entitled to make a profit.

Here we are, arguing that this is not as good a deal. The National Energy Board has stated that we have gotten the best price possible. These people are saying, we want more public hearings. They're moaning and groaning and trying to find fault with the best agreement we have had for the people of this province in many a year, for the ordinary people who would like to work and get on with their activities. Those people are moping and groaning and saying, boy, if we had a chance to become government, we would stop this, notwithstanding that this is the best possible deal according to the National Energy Board.

They were prepared to sign a 25-year agreement allowing for no profit; we would give our electricity away at cost to Saskatchewan and Alberta. We kept asking, when will they send us oil and gas at cost? You said and the people on the other side said, oh, no, you can't compare that. It's okay for King Peter to hit us with world prices for oil prices that have been jacked up by cartel pricing, perfectly okay, but boy we're good neighbours. We're going to give them electricity at cost, and we're going to subsidize them.

The Progressive Conservative Party has always maintained that the price charged to NSP would be a proportion of the costs of building Limestone, Conawapa and Wuskwatim as the proposed Western Power Grid was to be. Hydro argued that the cost assessed to NSP should be only the advancement cost

of these three plants that resulted from the sale. What did the NEB say? The NEB concurred with Manitoba Hydro.

The Leader of the Opposition, of course, said when he went to the NEB: "Many areas have not been addressed and many questions unanswered, and many matters have to be developed before a decision is made." He said again: "First of all, a full range of interest, construction costs, escalation, foreign currency, exchange rates and other contingencies have not been applied to the sale case. Secondly, no provision has been made in analysis or in the proposed sale contract for sharing of risks between buyer and seller."

Hydro, of course, argued that all probable scenarios had been tested; low interest rates, 8 percent; high interest rates, 14 percent; high escalation costs, 9 percent; low escalation costs, 5 percent; a low U.S. dollar; a high U.S. dollar and so on, more than a dozen scenarios, and in each case, a profit resulted. How about the NEB? The NEB supported Manitoba Hydro. Yes, they said: "The board recognizes some level of risk is always present in any major undertaking, and it is satisfied that there was sufficient evidence to show that the risks associated with the proposed export sale are adequately examined by the applicant and found to be within acceptable bounds."

The Leader of the Opposition said: "There isn't any \$1.7 billion profit. There may be some net benefit, but it may be almost a break-even proposition." The NEB agreed with Manitoba Hydro: "The export sale is expected to yield net revenues of about \$400 million over the term of the contract." That's in 1984 received dollars, between \$1.6 billion and \$1.7 billion. That's what the NEB said. Your leader was wrong. Hydro and the NDP were right.

Your leader said that Limestone should not be advanced to 1990 to take advantage of interruptible sales.

**A MEMBER:** Did he say that?

**HON. V. SCHROEDER:** That's what he said. He said: "I would submit to you that no evidence has been presented that the planned advancement of the plant to accommodate undetermined, increased, interruptible sales is in the best economic interest of Manitoba or Canada" - the old Chicken Little of the Conservative Party, that ragtag group of people who just refuse to do research, refuse to listen to answers given to them by the experts, refuse to listen to reason, and keep harping and carping at good, solid, progressive economic advancement in this province.

Manitoba Hydro argued that with the advancement of Limestone to 1991 to accommodate the NSP sale, a 1990 in-service date became the most economic because about \$20 million in profit could be made after the costs of the second advancement were accounted for. Again as I said before, the NEB disagreed with Filmon, agreed with Hydro and the NDP. They said: "The board notes that for the sale sequence, from Manitoba Hydro's perspective, the excessive revenues over costs for the two-year advancement would be about \$20 million more than for the one-year advancement."

Now you are saying and have said in the past: "The alternative development sequences for meeting the sale

and domestic load have not been presented." That's what your leader said. "The board must not, under any circumstances, place itself, if it approves the sale, of inadvertently legitimizing lending credibility to the decision to advance the construction of the Limestone Generating Station."

Manitoba Hydro told the NEB that it has done a comprehensive analysis to show that the advancement of Limestone was the most economical way to meet the terms of the NSP contract, and to accommodate Manitoba's own needs in 1992. And nowhere in that report and finding in the NEB in any way dispute the findings of Manitoba Hydro they said: "The board's assessment of the export proposal has not, however, turned up any suggestion that the utility's generation expansion decisions are wrong." That is what the board said, and it is not up to the board to tell us when to start constructing our Hydro, but it is up to the board to determine whether the sale is a good deal for Manitoba and Canada, and on that they said, yes, it is.

On the basis of whether it should be done for 1990 or 1991, they said, it's not up to us to say when but, if you do it for 1990, you get \$20 million more in net revenue. And the "Chicken Littles" on the other side are saying, well, they didn't say you should do it for 1990. But when you're told to do something that will give you \$20 million of profit, and you don't do it, are you doing what the taxpayers of Manitoba have elected you to do? If we now look at this document, and accept it as being reasonably impartial, and turn around and listen to the Tories, and say we won't start Limestone this year, who is going to explain to the taxpayers, to your voters, that you have done something that is clearly going to cost them money in the long run, and take away jobs in the short run? Who is going to do that? Is that fair? Is that reasonable? And there they are now, sanctimonious bunch telling us they want more public hearings when they wouldn't give us any kind of hearings in 1981 over the sale to Saskatchewan. They said we didn't have to, and they were right. They did not have to provide any kind of public hearings because the sale was within Canada. The sale was within Canada so they had the right to go ahead and make that arrangement that would have stuck us with 25 years of losses had there been an overrun. Remember, they talk about overruns. Well, if there were an overrun we would have lost the whole works on that deal. — (Interjection) — We have . . .

**MR. CHAIRMAN:** Order please.

**HON. V. SCHROEDER:** . . . looked at every case, every reasonable case, have put far more protection into this agreement than any independent analysis would suggest was put into that Saskatchewan-Alberta deal. There's no question about that, there was no protection for overruns there. Here we have a 1.7 billion as received profit over the term of that contract. There was no room with that arrangement, there was absolutely no room with that arrangement. Of course, what the opposition also forgets, in terms of the advancement, because I believe we're going to do better than the \$20 million for Manitoba, that's Manitoba Hydro. For the people of Manitoba we have different numbers, in

terms of more benefits going now. Manitoba Hydro will make a profit of \$20 million going early.

**MR. CHAIRMAN:** Order please. The hour is 4:30, time for Private Members' Hour.

Committee rise. Call in the Speaker.

The Chairman reported upon the Committee's deliberations to Mr. Speaker and requested leave to sit again.

### IN SESSION

**MR. SPEAKER:** Order please. The Honourable Member for River East.

**MR. P. EYLER:** Mr. Speaker, I move, seconded by the Member for Wolseley, that the report of the committee be received.

**MOTION presented and carried.**

**MR. SPEAKER:** The time being 4:30, Private Members' Hour.

### PRIVATE MEMBERS' HOUR

**MR. SPEAKER:** Proposed Resolutions, the Honourable Member for Elmwood.

**MR. R. DOERN:** Mr. Speaker, I am not prepared to proceed at this time.

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

**MRS. D. DODICK:** I am not prepared to proceed today.

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

**HON. A. ANSTETT:** Yes, thank you Mr. Speaker.

I would like to move, seconded by the Minister of Co-operative Development, that the House do now adjourn.

**MOTION presented and carried** and the House adjourned and stands adjourned until 2:00 p.m. tomorrow (Thursday).