

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 24 April, 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 of Education has a ministerial statement.

**HON. M. HEMPHILL:** Yes, Mr. Speaker, it's my pleasure to introduce the Annual Report of The Public Schools Finance Board, Province of Manitoba, for the year ending December 31st, 1984; the Annual Financial Report for the year ended March 31st, 1983, for Brandon University; and Brandon Annual Report, '83-84, for the Universities Grants Commission.

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

**HON. S. USKIW:** Mr. Speaker, I also wish to table the Five-Year Report on the Fisheries that the Member for Turtle Mountain raised a question about the other day.

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

### ORAL QUESTIONS

#### Sugar beet industry - Assistance to

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

**MR. J. DOWNEY:** Mr. Speaker, I have a question for the First Minister.

In view of the fact that the general manager, Mr. David Elliott, stated that without Provincial Government support, if the answer was no to Provincial Government support for the Manitoba sugar beet industry, that they would immediately take proceedings to close the plant.

Has the First Minister reconsidered that decision of yesterday to say no and say yes to the sugar beet industry and provide support?

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

**HON. H. PAWLEY:** Mr. Speaker, my answer of yesterday, as indeed it is today, is that we await upon the Federal Government to undertake its responsibility, its clear responsibility.

I know honourable members would like to let the Federal Government off its due responsibility to the provinces and to the agricultural producers of this country. Mr. Speaker, I'm awaiting on a response from

the Prime Minister arising from the telex that was forwarded to the Prime Minister this past Friday calling the Prime Minister to assume their responsibility, at the federal level, under The Agricultural Stabilization Act and other means in order to ensure that they undertake the type of responsibility that has been assumed federally, on a historic level.

**MR. J. DOWNEY:** Mr. Speaker, in view of the fact that on the 18th of April the Federal Government committed \$8 million, they as well committed to working out a long-term sugar policy by their press report of April 18th, Mr. Speaker, will the First Minister consider the 450 farmers who depend on the sugar industry, the 100-200 people that are employed in sugar plants and reconsider that issue and quit playing politics with people's livelihoods in this province?

**HON. H. PAWLEY:** Mr. Speaker, the honourable member can shout if he desires and that is his usual custom, but his statement that the Federal Government has indicated its commitment to a long-term sugar policy is incorrect. Indeed, Mr. Speaker, I think that the honourable member should be raising his voice in expressing his concerns to the Federal Government as, indeed, is this Provincial Government that they assume at least the same level of support as has a government that wasn't known to be very friendly to western agriculture, the previous Liberal Government in this country, insofar as the sugar industry was concerned.

**MR. J. DOWNEY:** Mr. Speaker, I will speak very quietly to the First Minister, but I'm sure the sugar producers and the sugar industry will not speak that quietly to him.

Mr. Speaker, can the First Minister confirm that as late as last night the Federal Minister responsible for the sugar policy in Western Canada or the sugar support program in Western Canada communicated directly with the Minister of Agriculture indicating to him that they were prepared and were working on a national sugar policy?

**HON. H. PAWLEY:** Mr. Speaker, the Minister of Agriculture, I believe, has had direct discussions with the Federal Minister of Agriculture and possibly the Minister of Agriculture for Manitoba can enlighten the Member for Arthur as to what those discussions were and what this so-called long-term commitment is that the Honourable Member for Arthur keeps referring to.

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

**HON. B. URUSKI:** Mr. Speaker, the honourable member and members of this House and sugar beet farmers in Manitoba . . .

**MR. SPEAKER:** Order please.

The Honourable Member for Arthur on a point of order.

**MR. J. DOWNEY:** Yes, Mr. Speaker.

I want to make it very clear. I think I indicated it was the Minister responsible for the western sugar policy, not the Federal Minister of Agriculture. I think that the First Minister said that it was the Minister of Agriculture. If that was the impression I left, it was not, it was Charlie Mayer, the Minister responsible for Wheat Board who, in fact, has got the responsibility for the sugar policy.

**MR. SPEAKER:** That was an explanation, not a point of order.

The Honourable Minister of Agriculture.

**HON. B. URUSKI:** Yes, Mr. Speaker, I do know the Minister responsible for the Wheat Board who has taken on the responsibilities to deal with the sugar beet industry. I have had conversations with the Minister in charge of this project as late as approximately 11:00 o'clock last night. — (Interjection)—

Mr. Speaker, last week the Province of Manitoba indicated as one of the conditions in order that there be some commitment to the sugar beet producers, we required a commitment that there be in place a long-term sugar policy from the Government of Canada. We did not receive that kind of a commitment, Sir, and we didn't receive it last night again when I spoke to the Minister responsible for the Wheat Board.

What we did receive last night was further concerns, Sir; concerns that the 1983 and 1984 stabilization payments may not be coming, that they're an open question and those payments are still open and may not be paid to producers. That raised our concerns, Sir, far beyond what we had last week.

Sir, as a result of those discussions last night, my First Minister has just telexed the Prime Minister and I want to share with members of the House the contents of this telex if the honourable members will allow me to do that.

"Further to my telex of April 19th, I wish to inform you of the conditions of my government's assistance to the sugar beet industry.

"These conditions are:

"1. That ASA payments for 1983 and 1984 crops be based and made on the equivalent support target for the 1985 crop year of \$45 per tonne.

"2. That ASA payments for 1985 be based on the historical average payment of 20 percent. Related to a target producer return of \$45 per tonne, this means a payment of \$9 a tonne from the ASA." That's what should be coming under the federal program.

"3. That the Federal and Provincial Governments share equally in the remaining shortfall in producer incomes to a maximum of \$11 per tonne, assuming \$25 tonne to producers from sugar revenues under the producer-processor contract.

"4. That the previous revenue-sharing arrangements . . . "

**MR. SPEAKER:** Order please. It might serve the interests of efficiency of the Oral Question period better if the Honourable Minister were to table his document rather than take up Oral Question period time.

The Honourable Minister of Agriculture.

**HON. B. URUSKI:** Mr. Speaker, I believe that farmers and citizens of this province and members of the opposition would like to hear this, and there are only two short paragraphs remaining, Sir, that I wish to bring to the attention of honourable members.

On the producers' side,

"4. That the previous revenue-sharing arrangements between producers and processors of 63 and 37 percent for sugar returns remain intact, as well as the existing by-product revenue-sharing arrangements,

"5. That by October 1985, the Federal Government have in place an acceptable and adequate national sugar policy to protect domestic producers from wide price fluctuations in world sugar prices and to finance domestic support to producers, preferably through an industry-wide excise tax. This new policy must not involve any further provincial contribution beyond the 1985 crop year." - as has been stated by members opposite.

"6. That plant employment at Manitoba Sugar's Winnipeg operation be maintained at current levels."

Sir, because of the urgency of this matter, we hope that the Prime Minister and/or his Ministers will respond as soon as they receive the telex or preferably before the end of the week.

#### **Workers Compensation Board - Delay in processing claims**

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

**MR. G. FILMON:** Thank you, Mr. Speaker. My question is for the Honourable Minister of the Environment.

It falls upon a report that one of the workers from General Aluminum Forgings, who is suffering from lead poisoning, has now been approved to receive Workers Compensation benefits and 13 others are in the process of having their cases examined. Mr. Speaker, the matter has been delayed for many, many weeks, and as a result of that, the Chairman of the Workers Compensation Board, Sonny Arrojado, has indicated publicly that she blames the delay on a mix-up between the Board and the Workplace, Safety and Health Branch.

My question to the Minister is, in view of the fact that he's responsible for both these organizations, who should be responsible for the delay in the processing of these claims?

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

**HON. G. LECUYER:** Thank you, Mr. Speaker.

Mr. Speaker, that's what I hope to find out, because I've called a meeting involving both these parts of my department.

**MR. G. FILMON:** Mr. Speaker, in view of the fact that the new guidelines for lead-in-blood level apparently were enunciated and developed by the Workplace Safety and Health Branch in 1982, and were not communicated to the Workers Compensation Board until this year, would the Minister undertake to find out

why that was not transmitted for three years from one part of his branch to another?

**HON. G. LECUYER:** Mr. Speaker, I believe that was part of the intent of my previous answer.

### Oil spill - Red River

**MR. G. FILMON:** Mr. Speaker, I have a further question to the Minister. It has to do with the spill of what appears to be transformer oil in the Red River. I wonder if the Minister could indicate whether his department has confirmed that the source was Federal Pioneer Electric Ltd.?

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

**HON. G. LECUYER:** Thank you, Mr. Speaker.

For the member's information, the clean-up of that oil is now complete. As I indicated some time last week, that was tested and found to be oil which did not contain PCB's and the tests obtained yesterday show that the oil collected and the oil used at the Federated Pioneer do indeed match.

### Oil Spill, Red River - Cost of clean-up

**MR. G. FILMON:** Mr. Speaker, a further question for the Minister. Will he ensure the public that the company responsible for the spill pays for all of the costs for clean-up and damage?

**HON. G. LECUYER:** The costs involving a third party here are indeed billed to the polluter, as is the case in other incidents of this type, for example, the Carman spill, the Neepawa spill or any others of this type.

### Lord's Day Act - Striking down of

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

**MR. G. MERCIER:** Mr. Speaker, I have a question for the Attorney-General related to the striking down of the Lord's Day Act in a decision of the Supreme Court, a matter to which I referred last week in this House. I would ask the Attorney-General if he could inform the House of the effects of this decision on such Manitoba legislation as The Employment Standards Act, which provides that Sunday shall, wherever possible, be a day of rest and The Retail Businesses Holiday Closing Act.

**MR. SPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** Mr. Speaker, I've asked officials in my department to immediately obtain a copy of the judgment so that it can be studied in full and I've also asked them to do a thorough analysis of the legislation mentioned by the Member for St. Norbert. The Minister of Labour is also asking officials in his department to look at the same legislation.

I can only say by way of preliminary answer and take it further as notice that, in my opinion, existing legislation mentioned by him, namely, the provision in The Employment Standards Act with respect to one day off a week, is probably all right because it says "wherever possible, Sunday." It doesn't fix Sunday, but it does fix as the statutory requirement that there shall be one day off a week, and says "wherever possible, Sunday." It could be equally effective by taking out, if necessary, the "wherever possible, Sunday," but that may not be necessary.

The Retail Businesses Holiday Closing Act has provisions in it which require retail establishments to be closed one day a week, and offers an alternative of Saturday or Sunday and for that reason, it too may be all right.

But that's only a tentative answer in response to a very good but complex question and I'll take the rest as notice and advise the House further probably tomorrow or Friday.

**MR. G. MERCIER:** Mr. Speaker, I appreciate the Attorney-General's taking the matter as further notice and his undertaking to advise the House later on. I wonder if he could in a preliminary way inform the House as to what effect this decision could have on commercial activity on Sunday in this province?

**HON. R. PENNER:** It undoubtedly has some effect, but I'll have to take it as notice. The Manitoba Lord's Day Act offers a number of exemptions to the general prohibition in Section 4 of the federal Lords Day Act, and if municipalities, by by-law permit certain activities within that framework, then they are allowable. But, by inference, there are a whole number of other activities which were hitherto not permitted, even by municipal by-law, which may now be permitted and I will attempt to give a fuller answer on that either tomorrow or Friday.

**MR. SPEAKER:** May I remind the honourable member that an oral question should not seek an opinion, legal or otherwise.

The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, I would ask the Attorney-General whether he is prepared to use the notwithstanding clause in the Charter of Rights in the Constitution in order to insure that Sunday is preserved as a day of rest for working men and women of this province and as a day of limited commercial activity in recognition of the religious observance of Sunday by a large number of people, keeping in mind that those who observe other days of the week for religious holidays would not be discriminated against?

**HON. R. PENNER:** Mr. Speaker, as I say, we'll have to study the act. I don't think it will be necessary at all to use the notwithstanding provision. The secularization of Sunday has been something that's been happening over a long period of time before this decision. I don't think this decision is going to change that one way or another. I'm not saying that is a good thing; it's a fact of life.

I think, however, that where there are problems created, particularly for employees who deserve a day

of rest, and if the ruling threatens that, then the Minister of Labour and I are prepared to recommend, and I am sure the members opposite would support, remedial legislation within the confines of the Charter and I'm sure that that can be done.

What is prohibited, as I gather, by the decision is zeroing in on Sunday as the necessary day of rest or the necessary day off. Subject only to a further study of the legislation and our legislation, that is the judgment in our legislation, I'll be conferring with the Minister of Labour and, if necessary, with the Member for St. Norbert to see whether, in fact, legislative action in this Session is necessary; it may not be.

### PCB's - storage sites

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

**MR. A. KOVNATS:** Thank you, Mr. Speaker.

I would direct my question to the Honourable Minister of Environment, Workplace, Safety and Health. How many sites, and where are they located, to store PCB material in Manitoba?

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

**HON. G. LECUYER:** Mr. Speaker, to give the member a detailed complete answer, I will take the question as notice.

**MR. A. KOVNATS:** While the Minister has taken the first question as notice, possibly he might have to take this question as notice also. How much PCB contaminated material is stored in these sites?

**HON. G. LECUYER:** Mr. Speaker, I would venture to say that the bulk, probably over 90 percent of these, are stored by Manitoba Hydro on Manitoba Hydro property. As I said, I will bring forth a more detailed answer, but I can tell the member that there are currently 316,000 litres of oil containing PCB's stored by Manitoba Hydro.

**MR. A. KOVNATS:** A final supplementary question, Mr. Speaker.

What inspection regulations are in place to keep safe these sites?

**HON. G. LECUYER:** Mr. Speaker, I know the sites are monitored, if the member wishes part of that detailed answer, I can give him greater details later in terms of the frequency and location of these sites.

### Grants to public buildings - Facilities for handicapped

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

**MRS. C. OLESON:** Mr. Speaker, my question is to the Premier.

Could the Premier tell us what policy his government has on grants to churches and other public buildings

to assist them in putting in lifts or ramps for the handicapped?

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

**HON. H. PAWLEY:** Mr. Speaker, I know that there have been some grants that have been provided under the Municipal Asset Community Program in regard to assisting public institutions, including some churches in the Province of Manitoba, to provide improved facilities for the handicapped.

**MRS. C. OLESON:** To the Premier again. Are these grants still in force and could he tell us which department that a church group could apply to for a grant of that nature?

**HON. H. PAWLEY:** Mr. Speaker, the honourable member should be aware that these grants have been provided under the auspices of the Jobs Fund and under the auspices of the Minister responsible for the Jobs Fund, specifically, under the Municipal Asset and Community Program, which was proceeded with last year and is under consideration for further proceeding this year under the Jobs Fund of the Province of Manitoba and the stewardship of the Minister responsible.

### Protestor, removal from Leg. grounds

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

**MR. R. DOERN:** Mr. Speaker, I'd like to direct a question to the Minister of Government Services and ask him on what basis a peaceful protestor is being threatened with removal from the Legislature grounds?

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

**HON. J. PLOHMAN:** Mr. Speaker, I think the government has been eminently cautious, prudent and reasonable in this regard. What has happened, of course, is that the individual has had a number of parking tickets issued. There have been about 40 complaints in the last few days from the public on solicitation of funds.

Of course, Mr. Speaker, a number of individuals of the public and groups have been inconvenienced and bothered by this and we have to consider the overall good and the interests of the public. For example, Mr. Speaker, the Mennonite community was celebrating their 200th anniversary, their bicentennial with their Menno-Van which was here at the Legislature yesterday and they were very bothered and insulted by the activities of this individual outside the Legislature. You can talk to the Mennonite community if you'd like to find out, Mr. Speaker.

It's obvious that we have been reasonable and we will be firm and the vehicle will be towed away as soon as possible.

**MR. R. DOERN:** Mr. Speaker, I would ask the Minister whether the protestor's anti-government, anti-Premier signs and posture have anything to do with his unpopularity with the Minister?

**HON. J. PLOHMAN:** Absolutely not, Mr. Speaker.

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

**HON. J. PLOHMAN:** The member knows very well, as a former Minister of Government Services, what the authority is under The Public Works Act. The person has been illegally parked for days and has in the neighbourhood of 25 to 30 parking tickets, 40 complaints from the public. It's obvious that there has to be some action taken.

**MR. R. DOERN:** Mr. Speaker, I guess my final question would be to the Minister. Does he not recognize that the last time a Public Works or Government Services Minister threw a protester off the grounds - his name was Joe Borowski - he came back to take that Minister's job?

**MR. SPEAKER:** Order please.

The question is argumentative. Would the honourable member like to rephrase his question to seek information?

Order please.

### Manfor - Tabling of Annual Report

**MR. SPEAKER:** The Honourable Member for Swan River.

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

I have a question to the Minister responsible for Manfor. I wonder if the Minister can indicate to the House when he'll be able to table the Annual Report of Manitoba Forest Resources?

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

**HON. J. STORIE:** Yes, Mr. Speaker, I believe I'll be able to table that report within two weeks.

### Manfor - exec. officers released

**MR. D. GOURLAY:** Another question to the same Minister.

Can the Minister advise if Manfor Resources released three executive officers from Manfor because they wouldn't move to The Pas?

**HON. J. STORIE:** I'm sorry, Mr. Speaker, I didn't catch the member's question.

**MR. D. GOURLAY:** Yes, Mr. Speaker, I'll repeat the question.

I wonder if the Minister can advise whether Manfor released three executive officers because they did not wish to move to The Pas?

**HON. J. STORIE:** Mr. Speaker, I do not believe that is the case.

### Manfor - hiring of consultant

**MR. D. GOURLAY:** Can the Minister advise if Manfor has retained the services of one Alan D. Bourgeois on a consultative advisory basis and, if so, at what fee?

**HON. J. STORIE:** Mr. Speaker, I can confirm that Alan Bourgeois is, in fact, employed by Manfor. At what fee, obviously, that is part of a corporate and board decision.

Mr. Speaker, as the member knows and as he is well aware, the Manfor Annual Report and the operations of Manfor will be open to scrutiny and questioning at the committee scheduled for some time later in May, I believe.

**MR. D. GOURLAY:** Yes, I wonder if the Minister will take as notice and bring back information with respect to the supposedly three executive officers that have been released from Manfor?

**HON. J. STORIE:** Mr. Speaker, the member is certainly free to ask what those kinds of questions about staffing and so forth at the committee. As I indicated, it would probably be as quick as me returning with the information.

### Education system - Evaluation of students

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

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

Mr. Speaker, the Minister of Education in the March 13th edition of the MTS update indicated that province-wide exams are not an issue, but that the public has a right to know how exams are administered and how students are evaluated. On behalf of the public, I thank the Minister for that magnanimous acknowledgment of the public's right to know.

Mr. Speaker, my question - what part is the Minister and the government going to play in explaining how students are evaluated today?

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

**HON. M. HEMPHILL:** Mr. Speaker, if the Member for Morris would like me to go into a detailed explanation of the assessment process that we have right now for evaluation of students and curriculum, I would be glad to do so. I think it would take longer than they would be prepared to sit and listen to since — (Interjection) — they're not too inclined to want to listen to full answers to complex questions. As we know, Mr. Speaker, that's a very complex question.

What I can say is I will be dealing at length with the issue of assessment and evaluation when the Estimates are up.

**MR. C. MANNES:** Mr. Speaker, further in that article the Minister said that teachers are best qualified to judge a student's progress and they must be prepared to explain how these judgments are made.

My question to the Minister, can the Minister indicate how she would expect teachers to explain how student progress should be evaluated?

**HON. M. HEMPHILL:** Mr. Speaker, the evaluation process is two-fold. The province takes the responsibility to evaluate general curriculum to determine how the students are doing across the province in those programs. It is up to the teachers in

the classroom to determine how an individual child is doing and to test that child and to give them a mark and to decide their level and to evaluate them for their level of accomplishment. They communicate that to the public, Mr. Speaker, when they meet with the parents. They put out report cards, those report cards are graded. They have information on them that gives not only the grade but how the child is doing. They call parents in to parent nights where they go over not over, not only the report card but the activities of the child and that's how they report on the individual child.

There is no way in this world, Mr. Speaker, that the Department of Education could communicate to parents on how 200,000 children are doing in the Province of Manitoba. That has to be done by the teachers that are teaching them, that are marking them and that are dealing with the parents directly.

**MR. C. MANNES:** A final supplementary, Mr. Speaker.

Has the Minister conferred with the school divisions throughout the province or with MAST to determine their views on the whole issue of province-wide examinations?

**HON. M. HEMPHILL:** Mr. Speaker, I would say that since I'm in consultation and discussion with MAST and teachers and the educational organizations all the time and, we're always discussing educational issues, the question of evaluation and assessment is one that comes up in the discussions with any major educational group that I'm talking to, whether it be the superintendents, the trustees, the principals, or the Teachers' Society. We're always talking about how to improve the system we have. The assessment program and the evaluation system is one that we are always discussing, sharing ideas and feelings. — (Interjection) — Yes, we are doing something, yes we are . . .

**MR. SPEAKER:** Order please.

**HON. M. HEMPHILL:** The question was, have I had discussions with the associations on this issue and we have.

### **Flyer Industries - demotion of General Mgr.**

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Speaker.

I would ask the Minister responsible for Flyer Industries whether he could confirm and inform the House that a Mr. Clark who was hired as general manager for Flyer about a year ago at \$140,000 a year has been demoted?

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

**HON. E. KOSTYRA:** No, Mr. Speaker, I can't confirm that.

**MR. R. BANMAN:** I wonder if the Minister could confirm that Mr. Clark is no longer the head and running that

particular organization and that Mr. Clark, under the terms of his agreement, is being paid \$140,000 a year for five years?

**HON. E. KOSTYRA:** Thank you, Mr. Speaker, I'll take that question as notice.

### **Brandon University - Tabling of 1984 Report**

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

**MR. B. RANSOM:** Mr. Speaker, I have a question for the Minister of Education. I thank her for tabling the financial report from Brandon University for the year ended in 1983. The report she tabled today was dated December 15, 1983. Can she advise us when the annual report for Brandon University, the annual financial report, will be tabled for the year 1984?

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

**HON. M. HEMPHILL:** I'll take that as notice, Mr. Speaker.

### **Surface Rights Board - Tabling of annual report**

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

**MR. J. DOWNEY:** Mr. Speaker, I have a question to the Minister of Mines and Energy. Will the Minister of Mines and Energy be tabling the Surface Rights Annual Report?

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

**HON. W. PARASIUK:** Yes, I will, Mr. Speaker.

### **Recording - waiving of sales tax**

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

**MR. G. FILMON:** Mr. Speaker, my question is for the Minister of Finance. I note that the government has passed an Order-in-Council to waive the sales tax on the recording "Tears Are Not Enough" by the Northern Lights effective April 18th, and our recollection is that the record has been out for quite a number of weeks. I wonder why it is just now that the government has taken this initiative.

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

**HON. V. SCHROEDER:** It's as a result of the request from the organization. The request didn't come until April. I don't have the specific date when the request came in, but certainly it wasn't in until April. I believe we didn't get any material so that we had information about the group until about the 10th - or later - of April; that was the reason. We considered going back,

it wasn't a financial issue, but simply a matter of not being able to collect it from the various collectors in the province. It was done on a basis similar to what is done with charities such as Mennonite Central Committee with its auctions, where all of the proceeds go for charitable purposes.

**MR. SPEAKER:** Orders of the Day . . .

### MATTER OF URGENT PUBLIC IMPORTANCE

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

**MR. J. DOWNEY:** I beg to move, seconded by the Honourable Member for Rhineland, that under Rule 27, the ordinary business of the House may be set aside to discuss a matter of urgent public importance, namely, the crisis facing the sugar beet industry in Manitoba.

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

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

Under our Rule 27, the Honourable Member for Arthur has five minutes to discuss the urgency of debate.

The Honourable Member for Arthur.

**MR. J. DOWNEY:** Mr. Speaker, I want to thank you for the opportunity to discuss the urgency of the debate. As you, Sir, and all members of the Assembly are aware, we are in the process of the Estimates of Health in the Chamber and Natural Resources in committee, where in fact we do not have the opportunity to discuss the matter of the prices in the sugar industry in Manitoba.

Mr. Speaker, I make reference to a prior ruling of yours, Sir, and this House has operated on precedents to some degree, and that was under Section 287 of Beauchesne. It says that, "The urgency within this rule does not apply to the matter itself, but means urgency of debate. When the ordinary opportunities provided by the rules of the House do not permit the subject to be brought on early enough, and public interest demands a discussion take place immediately."

Sir, the opportunity is not in any rules of the Chamber, other than an emergency debate at this particular time. The industry itself is in a crisis situation. It was indicated by the Minister of Agriculture that it is urgent. He had the opportunity, Sir, in question period, or was given the opportunity to read a communication. We haven't had the opportunity to respond and think that this would be a prime time to do so. There is a \$100-million industry at stake. It is time to plant a crop, and you, Sir, if you have anything to do with gardening in your own backyard, realize that if you're going to produce a crop in this country, you should plant it in the spring to harvest it in the fall. Mr. Speaker, it is now planting time.

Because of the specialized part of the sugar beet industry, Mr. Speaker, they have to have a processing plant and a contract with that processing plant in which to carry out those kinds of operations.

Timing, Mr. Speaker, is extremely urgent. The livelihood of many people, not only in the agriculture picture, but the employment of those people at the sugar processing plant, Sir, I think should be taken into consideration and debated at this particular time.

**MR. SPEAKER:** Order please. Other parties in the House also have five minutes to speak to the urgency of it.

The Honourable Government House Leader.

**HON. A. ANSTETT:** Thank you, Mr. Speaker.

Mr. Speaker, I would urge you, in examining the application of our rules to this particular motion, to favourably consider the motion.

Sir, I submit that the public interest on this issue in the Province of Manitoba, under Beauchesne Citation 286, will suffer if this matter is not given immediate attention, and I submit, Sir, that the public interest demands that that discussion take place immediately because there's an immediate need, Sir, to address the innuendos and misinformation provided to the people of Manitoba over the last several days by members opposite.

I submit, Sir, that the criteria in Rule 26(5), (a) through (f), are all met by the proposed motion.

I submit, Sir, that really the only question that must be addressed is the question of urgency and, Sir, I think the Member for Arthur has addressed the need for the urgent application of a federal commitment to the sugar industry in not only this province, but the whole country.

I think there's a need, Sir, for members on both sides of the House to have an opportunity to debate, discuss, and communicate to the people of Manitoba and to the Federal Government the failure of the Federal Government to honour its commitment under The Agricultural Stabilization Act.

Sir, I would submit, however, that there may be one small area on which, on a procedural basis, you may wish to consider ruling this motion out of order, and I would like to address that, the whole question of administrative competence, Sir.

I would submit that the Minister of Agriculture and the Premier have in the last week acknowledged that while this matter is not directly a provincial responsibility, they are prepared to show leadership, address that issue, and work with the Federal Government, so have therefore brought it under the administrative jurisdiction of the province, at least to that extent.

So I submit, Sir, that although it is, under The Agricultural Stabilization Act, a federal responsibility and has historically been a federal responsibility, our commitment to be involved and address the issue brings it under the purview of this House and this motion.

I agree, Sir, that there will be no other opportunity based on the urgent seeding requirements for sugar beets, to address this issue before the Estimates of the Minister of Agriculture come up. I would therefore urge you, Sir, to rule the motion in order. We on this side will support the motion to debate the matter.

### SPEAKER'S RULING

**MR. SPEAKER:** Order please. The Honourable Member for Arthur has satisfied the requirement under Rule 27 of giving the required notice. As the member correctly indicated, Citation 287 does deal with urgency of debate and not of the matter itself. I note that part of Citation 285 does say, "In making his ruling, the Speaker may on occasion take into account the general wish of the House to have a debate."

Since there appears to me to be a general willingness of members to debate this issue, I will then put the question to members: Shall the debate proceed? (Agreed) There is then agreement and the motion passes.

The motion is open to debate.

The Honourable Member for Arthur.

**MR. J. DOWNEY:** Thank you, Mr. Speaker.

The members in the Government of Manitoba think, for some particular reason, that they have pulled off some major accomplishment in allowing a debate.

Mr. Speaker, the urgency to debate this matter is dealing with the livelihood and the priority use of public funds in maintaining a sound, economic base in the rural part of Manitoba which complements the jobs and the economic environment in the City of Winnipeg, Mr. Speaker, and they are making fun of that. That's the kind of leadership we have under the New Democratic Party.

Mr. Speaker, I want to place on the record today the background of some of the things that have been said and talked about and that is why I think we have to do it today, as well as the numbers of meetings that have taken place between the government and the sugar beet producers have provided absolutely nothing, other than the First Minister of this province, the Minister of Agriculture in this province, playing what I would consider cheap politics with the livelihood of the farmers and the workers of the sugar beet industry in this province.

We won't stand for that, Mr. Speaker; we won't stand for it, and the people of Manitoba won't stand for it. I am going to point out to you some of the reasons why we have to have support for the sugar beet industry.

Several weeks ago now, we heard the Minister of Agriculture for the Province of Manitoba forward to Ottawa a request for support. Mr. Speaker, the message got to Ottawa and they listened. The First Minister, the Government of Canada, put in place an individual who understands Western Canadian agriculture, to deal with the situation, the Honourable Charlie Mayer, who provided his time, who met with Alberta, who met with Manitoba and met with Quebec to try to work out a short-term solution while they were able to put in place and work towards a longer-term sugar policy.

Mr. Speaker, I make reference to the release of April 18th by the Agriculture Minister of Canada, John Wise, where they committed \$8 million to the sugar beet industry in Canada, which followed upon a meeting with my colleague from Rhineland and several other elected officials from Western Canada who put the case before the Federal Government. There was, in fact, action taken.

Mr. Speaker, the First Minister makes a lot about no commitment from the Federal Government on a national sugar policy. In that same release, Mr. Wise said - and I will quote from it - "Over the next year, the Federal Government will look into the advisability of establishing a national sugar sweetener policy."

They're laughing about it. But again last night, the Federal Minister responsible for the Canadian Wheat Board, in his discussions with the Manitoba Minister of Agriculture, said they were prepared to proceed on a national sugar policy; but the Minister of Agriculture

was trying to put them in an impossible position by saying they wanted it by the end of October of this year. What a ridiculous position for a Minister to take, who, the minute that they said they were proceeding with one would say, well why weren't we asked about a national sugar policy?

Mr. Speaker, I will tell you right here and now that I would bet you there'll be a communication of some kind coming to this Minister asking to immediately be involved in the discussion of a national sugar policy, as they should ask the provinces of Canada who are involved, to participate in a national sugar policy development.

Yes, Mr. Speaker, they should be part of that discussion, as should the producers of sugar in this country be a part of the sugar policy discussions, and that's the kind of government we're seeing in Ottawa and I want that very clear and very plain. There is a commitment from the Federal Government of \$8 million; they have committed to a national sugar policy. Now why is this First Minister putting the livelihood of 450 farmers, putting the livelihood of some 200 workers at the sugar company here in Winnipeg, why is he playing games with them, with their livelihood?

I quote from yesterday's comments from Mr. David Elliott, General Manager of the Manitoba Sugar Company, and here's what he said: "Unless there is participation by the Manitoba Government, the beet sugar industry is dead in Manitoba." Unless there's action from this First Minister and the Minister of Agriculture, the industry is dead.

I'll go on to quote further, Mr. Speaker. This relates to the Minister's meeting yesterday with the sugar beet producers, he said, "If the answer is no, we'll start closing down proceedings that day." Meaning yesterday. He said, "There is no incentive for beet growers to be in the business."

Mr. Speaker, can it be any plainer as to what's going to happen to the sugar beet industry if this First Minister doesn't get on with the job?

I'll make one other quote, Mr. Speaker, and this came from the President of the Sugar Beet Association, following yesterday's meeting as well. Mr. Bill Siemens says, "Without the provincial participation, our industry is not going to survive."

Mr. Speaker, it is now seeding time in Manitoba. The Altona, the Winkler area, the Portage la Prairie area and, yes, in the southeast and up in the Interlake area, there are sugar beets grown. It is already almost too late to take advantage of the moisture in the top inch of soil where that sugar beet has to be planted. This Minister of Agriculture, this First Minister of the province have put in jeopardy 450 farmers' livelihoods, 200 people's livelihoods at the sugar processing plant and \$100 million to the provincial economy.

What are they doing, Mr. Speaker, instead, with their money? They're advertising the image of the government; they're hiring apple-polishers; they're putting great signs up all over the province. "Why do New Democrats help farmers? Because they care about farmers." Mr. Speaker, they don't care a darn about farmers and we're calling on them today to take immediate action, to take \$3.5 million, to walk out of here and tell the sugar beet industry, the sugar beet growers that, yes, the people of Manitoba, the opposition support us and we want that money to go

immediately so that the tractors can start up on the sugar beet planters, so that the people can be employed to look after those sugar beets, as they're growing this summer, and then they can be processed in the Province of Manitoba.

The Province of Quebec have committed to support their sugar beet growers. Yes, Mr. Speaker, the Province of Quebec have put money on the table.

**HON. B. URUSKI:** No, it hasn't.

**MR. J. DOWNEY:** Yes, it has. The Province of Quebec have put money on the table and they have agreed - my information is - they have agreed to support the sugar beet industry. — (Interjection) — Well, if the Minister has something further to say, then he'll have the opportunity.

I have been told that the Quebec Government is prepared to help. We know that Alberta Government have laid \$6 million on the table and we know that the Federal Government have laid \$8 million on the table and are prepared to establish and work towards a national sugar policy to give some protection.

The other point I want to make, Mr. Speaker, that is, the consumers of Manitoba should not be left at the whim of the international sugar prices. We should give the sugar consumers in the Province of Manitoba and of Canada the assurance that some sugar will be produced in Manitoba and in Canada. We owe it to the consumers to give that kind of an assurance that we have an industry such as that, to protect our industry.

In conclusion, Mr. Speaker, I would call on the First Minister today to repriorize some of his expenditures, to put some meaning into what he says when he says he cares about people, to challenge the Minister of Agriculture when he says he cares about farmers, to show that he cares about farmers and assist the sugar industry in this province and that they want jobs and they can preserve them in an industry that we've already had, not let them go down the drain as he is prepared to do, as he said yesterday he was prepared to do, as he said today he's prepared to do, Mr. Speaker. I challenge him to save an industry that is vital to the very economic fabric of this province, to the small communities and to those people who are consuming a very important commodity.

Thank you, Mr. Speaker.

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

**HON. B. URUSKI:** Thank you, Mr. Speaker. I'm very pleased to take part in this debate today because it's really coming very clear that the opposite side of this Chamber is attempting to really take their federal counterparts off the hook. If they are not, it is the worst condemnation of a Federal Government that I have ever seen in this House by members of the opposition. Mr. Speaker, if they're not trying to take them off the hook, it is the worst condemnation that members have made on this side of this House, members of the same political party.

In fact, yesterday, Mr. Speaker, the Honourable Member for Rhineland said that the Federal Government is attempting to go out of stabilization

programs. Mr. Speaker, if that isn't a condemnation of their own federal colleagues, I don't know what is.

Mr. Speaker, we have a new federal administration in this country that is not living up to their responsibility. Sir, for 40 years we've had a sugar industry in this country and we've had since 1958, an Agricultural Stabilization Act that has paid benefits to producers in times of low market prices. Mr. Speaker, in 1982, the last year that stabilization was paid, the company paid producers \$41.91 per tonne of sugar beets produced. The Federal Government assisted producers by making a payment of \$10.52 a tonne. Those were the nasty Liberals for a net return to producers of \$52.43 a tonne. In 1983, producers received \$39.60 a tonne from the sugar beet.

**A MEMBER:** How much?

**HON. B. URUSKI:** \$39.60 a tonne. But we don't know what the payment will be. Mr. Speaker, we don't know what sugar beets ultimately will receive in '84 because the final calculations have not been made. That's where the difficulty comes into this whole process. We understood that if, in fact, the province contributed to this package that the Federal Government now has put money on the table without using The Agricultural Stabilization Act, that everything will be okay and there will be a sugar beet policy in 1985-86.

Well, Mr. Speaker, last night when I spoke to the Minister responsible for the Canadian Wheat Board, he let the cat out of the bag because he told me that '83 and '84 stabilization payments are an open question. They are not guaranteed. They are not there on the table at all. If ever the industry was in a state of disarray, it's because of the indecision of the Federal Government on these two questions. Now, members opposite say, well, they've said that we will have a policy; we will see the advisability of a national sugar policy. What does that tell you, Mr. Speaker? I'm in favour of motherhood as well, but that doesn't tell me anything. It doesn't guarantee our producers anything, that there will be a national sugar policy in this country.

Mr. Speaker, what it does say to me with '83 and '84 missing, with '85 a big question mark? It says that we are trying to get Provincial Governments committed to long-term stabilization on a product that we now want to move out of. That's really what's behind it. Mr. Speaker, it's aided and abetted by their own colleagues opposite. They are selling all producers down the drain by the posturing that we've seen in this House, Mr. Speaker, it's clear.

Let's look at the record of what has happened. It's not as if we hadn't acted on this whole matter and we hadn't been involved and hadn't tried to get them to make a decision. Mr. Speaker, we met on October 1, 1984 with my counterpart from Alberta and the Federal Minister of Agriculture in Regina was our first meeting when this problem was raised. On November 7th, a month later, I wrote again to the Minister of Agriculture outlining the importance of the sugar industry and urging action.

Mr. Speaker, on November 14th, we met with B.C. Sugar and staff. On December 11th, our Deputy Minister met with Wise and B.C. Sugar met with Wise at the Outlook Conference in Ottawa.

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On December 13th, Mr. Wise responded to me and said that the proposal will be studied and others will be consulted.

On February 15th, we received a letter from the sugar company threatening immediate closure of their factories.

On February 18th, I wrote again to the Federal Minister asking what progress has taken to date.

Mr. Speaker, on March 6th, Alberta telexed the Federal Government asking for immediate action.

We again in March telexed Epp, Murta and Mayer of the problem. We met with Mayer on March 20th; on April 4th, I telexed Mr. Mayer; on April 8th was the last time I met personally with Mr. Mayer - and still no action.

Mr. Speaker, finally last week they decided to come up with some kind of a plan that said there would no longer any stabilization, but from the goodness of our heart we will put some money on the table if you guys will put some money on the table. That is the abdication of the Federal Government. What did we say? How have we responded to this whole issue?

Mr. Speaker, we want to guarantee that ASA payments for 1983-84 are there based on a minimum of \$45 a tonne and they will be made. That's the condition we want. Do you not want that condition? Do members opposite not want that condition? Tell us. Let them tell us and say they don't agree with this condition. Let them tell us as well if they agree with our position that ASA payments for 1985 should be based on the historical average of 20 percent because that's on the basis of what they've been made since 1958 which means that there should be a payment in '85 of \$9 a tonne based on the historical average.

Mr. Speaker, do they agree with that? I'd like to hear what honourable members opposite whether they agree with that position.

**MR. SPEAKER:** Order please.

Does the Honourable Member for Virden have a point of order?

**MR. H. GRAHAM:** Yes, Mr. Speaker.

The Minister seems to be quoting from a document. Could he identify it and be prepared to table it when he's completed?

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

**HON. B. URUSKI:** Mr. Speaker, I will get the original copy of the telex that we sent to the Prime Minister. These are my notes dealing with the telex, Mr. Speaker.

I want to ask the honourable members whether they agree that we for this year, only for one year, should commit ourselves to an additional assistance to the producers over and above stabilization because the Federal Government has not met their commitment and we're prepared to do that, Sir.

Mr. Speaker, I haven't heard anyone talking about the producers. Should the existing contract remain for the producers so that the sugar company - who I would say has done quite well, thank you, over the years; in fact, last year 10.6 million in profits for the sugar company - don't take more out of the farmers' pockets.

Should that not remain as a condition of federal policy that the producers have at least their returns in hand? Mr. Speaker, do they agree with that?

Sir, should they not have a policy by October 1985? Is that something out of the ordinary when we raised this question last October with them? A whole year we've given them to come up with a policy. How long should it take? The other condition is, should the province put more money beyond this year and we have said no. We are prepared to deal with them one year and no more because they are reneging on this very program, Mr. Speaker. We have put our money where our mouth is. Do you disagree? Do they disagree with the conditions or do they want to say, here is a blank cheque and let's see the goodness of the heart of the Federal Government, who haven't lived up to one commitment on the sugar industry in this province or in this country.

Mr. Speaker, as well, the member from Arthur said that the Quebec Government is . . . I want to tell them that's full of baloney. I spoke to the Minister at noon today. The Federal Minister said they've put up no money on this program and they're waiting for their response. I want to tell you, Sir, we have sent them a copy of this telex urging them to stick by us and not allow Alberta to whipsaw everybody in this whole process, that the Federal Government has to live up to their responsibility. It's been Alberta and members of the opposition that they are putting the workers and the farmers in this province in jeopardy, Sir.

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

**MR. J. DOWNEY:** The Minister made reference to a document earlier in question period and I'm sure the Member for Virden made reference to it. Could the Minister provide that as quickly as possible so that members on this side . . .

**MR. C. MANNES:** We'd like to have a copy of the telex.

**MR. J. DOWNEY:** . . . could have a copy of the telex.

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

**MR. H. ENNS:** Thank you, Mr. Speaker. Who is advising this Premier, Mr. Speaker, on agricultural matters in particular, and should he not about now be concerned about the kind of advice that he's getting? I'm prepared to acknowledge - and the record shows - that on the one hand this government has and is making substantial stabilization payments to the agricultural sector in such areas as beef and pork, particularly at this time with pork prices going down. That is a considerable drain on the Provincial Treasury, Mr. Speaker.

But now look at what they're doing with this issue, where, Mr. Speaker, you have a very clear case. It is not a national issue because not all provinces are involved. There is a reason, and I accept and I will argue as strongly as he will for a national policy; but we are dealing, Sir, and this is the reason for the emergency debate, with an urgent matter right now.

The fields are ready right now, Mr. Speaker. Decisions have to be made within the next day or two as to

whether or not those 450 sugar beet producers will put in their crops or whether they will buy alternative seeds or how it will work into their crop rotation; what kind of chemicals they will buy; what kind of equipment repairs are necessary; what kind of decisions have to be made literally within the next 12-, 24-, 48-, 64-hour period, Mr. Speaker. That's the emergency of the debate.

Mr. Speaker, Alberta has recognized it and said yes, certainly. If ever there was a case where all parties are talking about the same thing - do you think for a moment that Alberta sugar producers don't want a long-term sugar policy in this country as much as Quebec and as much as Manitoba? Of course they do, Mr. Speaker.

The Federal Government understands that and, contrary to what the Minister's trying to put on the record, have put up \$8 million with respect to their contribution to Manitoba; and if this Minister or this government think for a minute that they're going to get anywhere blaming the Feds, who after all have just come through with \$115 million on transfer payments, who have just paid to the same Manitoba farmer the biggest payout on grain stabilization ever recorded in the history of the Prairies. That's right. I'm asking who's giving this government, this Premier some agricultural advice?

Now, Mr. Speaker, I'll tell you what's really going to happen and what the farmers will understand. They will recall that memorandum that this government arrived at 18 months ago that said, "We will carefully select key constituent area that get our consideration," and the key constituent areas were these 400 selective sugar beet growers. They happen to live in my friend, the Honourable Member for Rhineland's constituency; they happen to live in my honourable friend from Emerson's constituency. The very sugar plant lives in a pretty safe Conservative seat in Fort Garry so this government is prepared to let 100 jobs go down the tube because it does not fall in those two constituent areas. You're not prepared to put up \$3.5 million.

You're prepared to spend \$750,000 on advertising Limestone, because that fits into the communications mold that this government wants to build.

**MR. SPEAKER:** Order please, order please. If other members wish to put their opinions before the House, they will have every opportunity to do so in due course.

Meanwhile, the Honourable Member for Lakeside.

**MR. H. ENNS:** This government, Mr. Speaker, we've documented, have hired an army of communicators, public image makers - apple-polishers, as we refer to them - around their offices - \$3.5 million worth. I don't want to exaggerate, that's the same amount - \$3.5 million that would save a unique industry in the Province of Manitoba, would keep 400 farmers planting their crops this spring, would keep up to 200 jobs available in the plant in Fort Garry. How cynical, Mr. Speaker! And this government talks about caring. This government talks as if it has some pittance of concern for the working man, Mr. Speaker.

Who is talking about caring right now, when we're arguing about whether or not a Minister's word can be taken? I want to tell you, that may not have been the case in the past 16 years, but if a Federal Minister

of the Crown says that he is prepared to put up \$8 million, I'll buy it; and more importantly, the Manitoba farmers, Canadian farmers will buy it.

If you want to argue against the integrity, the credibility of a Federal Minister committing himself to that kind of support, then you'll find out, Mr. Speaker. It is just beyond all understanding and I want to be fair to the honourable members, as I always am, because we will be going into a campaign and it's on these things that decisions and thoughts are formed. This government that can find - of all the stupid things! - priorities, like changing the logo of our buffalo. They can find money to advertise in questionable magazines like HERizons or Midcontinental.

They can find money and the people of Manitoba won't have to be reminded of it because they see the billboards up already; they hear the 30-second ads on radio stations and, of course, they see that great Nelson River going past their television sets just about every evening, Mr. Speaker.

Mr. Premier, that is what you're going to be answering to if you allow this unique industry to falter at this particular time. I don't care even if this government conditionalizes its support. If this government says, yes, we'll come up with \$3.5 million on the condition that the Federal Government meets some of the obligations that the Minister of Agriculture has laid out in his telegram. I happen to believe that most of those conditions will be met by the Federal Government, Mr. Speaker, but the time is not available to us to carry out those negotiations, those discussions. Surely, they have to be carried out with the growers, with the industry.

We're talking about developing those policies and having them in place, perhaps by fall, certainly for next winter. Now is not the time to sit and talk party-talk, Mr. Speaker, now is the time to act, and I simply can't understand this government that has shown such a willingness in other areas to unlock the public treasury. Mr. Speaker, it wasn't so long ago that they were prepared to offer, I'm told, up to \$40 million to get some mechanical jobs from Pratt-Whitney, when they were in competition with Nova Scotia to be located here in Manitoba, \$40 million dollars. They paid into the Constituency of La Verendrye to get Toro Manufacturing in, on federal grants of close to \$1 million.

Mr. Speaker, we are talking the maintenance of jobs; jobs that have been here. The sugar industry is a unique feature of the Manitoba landscape; it's a unique feature of the Fort Garry Constituency and it employs, has permanently employed in excess of 100 people and provides seasonal employment well into the 200-250 numbers of people. It is a \$100 million industry that heretofore has not been a drain on the public purse, unlike some of our great Crown corporations. Flyer Industries - can you imagine? - just shaved Flyer Industries losses this year by \$3 million. Just shut Flyer down for a little while and save an industry that is there working.

Mr. Premier, for goodness sake, let's not argue about it in here; let's go into your office with your Minister of Agriculture and tell him for a moment not to worry too much about his backyard and who's breathing down his back. We've got an industry to save. Simply reword that telegram and say, yes, we want the industry in

Manitoba; we're prepared to put the dollars now and argue about the details later, because we think you're honourable people in Ottawa, and they have proven to be honourable people.

This government, this Minister has been treated better than he could have expected under the most recent negotiations that he's had with Ottawa. He's got far more than the law calls for with respect to transfer payments and, Mr. Speaker, I call on the Premier of this province to do something to save this industry in this province.

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

**HON. H. PAWLEY:** Mr. Speaker, we have just listened to the Honourable Member for Lakeside and the Honourable Member for Arthur raise a number of points in this House. Those points deserve the utmost scrutiny by the members of this Chamber.

The Honourable Member for Lakeside opened his remarks by asking the question, "Who is advising this Premier, who is developing agricultural policy in the Province of Manitoba?" Mr. Speaker, I think we ought to very clearly, ensure that we know what the issue is today.

Mr. Speaker, the issue is clearly, as it was with transfer payments to the provinces as indeed it is with respect to pork policy and what has happened with respect to the pork producers in this province, it is as in respect to beef import quotas recently imposed to the extent that the head of the Cattlemen's Association in today's Globe and Mail indicates that he is red-faced about it, "I didn't expect us to cave in to blackmail." He described his attitude as outrage at the lack of federal Conservative initiative in respect to the situation pertaining to beef imports, beef import quotas and the enraging that has caused insofar as the beef farmers of Canada are concerned.

Mr. Speaker, the issue is, will the Federal Government assume its proper historic and rightful responsibility, or will they shirk that responsibility and try to shift it to the growers in the provinces in this country? That is the issue that must be dealt with; that is the question that must be resolved in this Chamber.

Mr. Speaker, what is required . . .

**MR. SPEAKER:** Order please.

**HON. H. PAWLEY:** Even those dastardly Liberals - and they were dastardly by way of agricultural policy and their attitude towards Western Canada and the producers of Western Canada, but at least the Liberals in 1982 did not shirk their responsibilities to the sugar farmers of Western Canada - lived up to their responsibilities under The Agriculture Stabilization Act. Now we have the Conservatives in office, just about every rural constituency in Western Canada represented by Conservative farm members, Mr. Speaker, and they are not speaking up, they are not representing the interests of the farmers in Western Canada, they are shirking their responsibility, and unfortunately, by way of contrast, they're not even living up to the Trudeau Liberal test of 1982 in respect to the sugar issue insofar as the farmers of Western Canada.

The Honourable Member for Sturgeon Creek is shaking his head, so obviously he doesn't realize that

in 1982, the Liberals did provide funding to the western agricultural producers under The Agriculture Stabilization Act, to the extent of \$10-and-some-cents per ton. Mr. Speaker, what is a test today is whether honourable members will join this government in delivering a clear message to Ottawa and that message ought to be in support of the long-term interests of the beet sugar growers of this province, not a message to the Federal Government in Ottawa that whatever you do is okay and we'll press the Provincial Government to make up the difference in order that you can shirk your responsibilities.

That's not good enough, Mr. Speaker. It's time for the opposition in this Chamber to decide whether they're going to follow their partisan interests only, blinded to a political ideology of supporting the Tories in Ottawa, or whether they will speak up on behalf of Manitoba farmers. That's the question, Mr. Speaker.

Mr. Speaker, where it was so disclosed, so very disclosed, the weakness of the Honourable Member for Arthur's position, and the fact that he is prepared to permit the Federal Government to abandon its responsibility, when he indicated in question period and during his first speech that the Federal Government had committed itself to a long-term sugar policy.

Mr. Speaker, the honourable member unfortunately is misinformed. I would not accuse the honourable member of misleading, but clearly he is misinformed and he used as his source that the Federal Minister was going to examine the advisability. The advisability - you could drive a tractor through that, you could drive a locomotive through that loophole. The Honourable Member for Arthur is prepared to abandon the farmers in this province, to turn a blind eye to a loophole insofar as a long-term responsibility to the farmers in this province, I say, shame to the Honourable Member for Arthur!

Mr. Speaker, what is required, and again I repeat, is a firm and clear position which has been enunciated by way of a telex to the Prime Minister on Friday, and I have left a message with the Prime Minister this morning that I want a response immediately — (Interjection) — well, obviously, Mr. Speaker, the Member for Arthur feels it's funny. He likes to mimic in his seat, rather than deal with the issues as serious as they are to the members of this House and to the farmers of this province.

Mr. Speaker, the honourable member can do all that he wants, but obviously, with friends like them, who needs enemies? With friends like the Conservatives in this province, who needs enemies?

Mr. Speaker, the telex that was submitted to the Federal Government indicated that this government is prepared to put up some \$2 million, but we expect the Federal Government to do what has been traditionally done insofar as the sugar industry is concerned, and to pay out under The Agricultural Stabilization Act. Why, Mr. Speaker, why are honourable members afraid to say that the Federal Government should do as the Liberals did in 1982, and be prepared to pay out of The Agricultural Stabilization Act? Why are honourable members not prepared to be bold enough to say that at least a Conservative Government in Ottawa should try to do as well as the Trudeau Liberals did in 1982. That is the question that needs to be answered.

Mr. Speaker, we will not permit honourable members across the way to duck an answer to that question,

because they have a responsibility, not just to the narrow political ideology, not just to their party interests, not just to the interests of political power, they have a responsibility to their constituents. When it comes to the interests of Manitoba, as against the Federal Government, they have a responsibility to speak up on behalf of Manitoba and not to duck, not to quiver, not to squirm, but to stand up clearly and boldly on behalf of the farmers of this province, with a clear, single voice towards the Federal Government.

Rather than honourable members grandstanding across the way, Mr. Speaker, they would be better suited, and we might achieve better results, if honourable members would add their voices to the telex that has been forwarded to the Prime Minister of this country. If honourable members would speak out and say, yes, Mr. Federal Government, what we need is not advisability of some long-term sugar policy, not some vague wording that we will look some time in the future, what we need is a clear-cut statement, we are committed to a sugar policy in Canada that, after this year, will mean that the Federal Government will ensure that they assume responsibility for stabilization of this industry.

Mr. Speaker, that's all we need, and then we are prepared to provide interim financing this year while the Federal Government gets its act together for a long-term policy. But at least let us have a commitment, and I ask the Honourable Member for Pembina, rather than playing kindergarten games, say clearly in this House that we support a commitment now, today, by the Federal Government to a long-term sugar policy in this country.

Let that be said, Mr. Speaker. We will then participate provincially, even though it would not be the traditional role, insofar as sugar policy is concerned. We're prepared to put up upwards of \$2 million on the table this year while the Federal Government completes the development of a long-term sugar policy in this country. Anything less than that is abandonment of the responsibility of the Federal Government toward western agriculture in the Province of Manitoba.

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

**MR. A. BROWN:** Thank you, Mr. Speaker. First of all, I would like to say that I appreciate that we can have this debate this afternoon because there is every urgency for us to resolve this situation as far as we possibly can within this Chamber.

Mr. Speaker, the urgency certainly is there. The land condition, some of them, land already is too dry, as I mentioned yesterday. Sugar beets cannot be planted more than an inch to an inch and a quarter deep. That means that your soil conditions have to be absolutely right in order for you to plant sugar beets; and in many of the instances the soil has already dried out beyond that particular point and farmers will now have to wait until such a time as we get a rain or conditions improve.

What has happened as a result of this - and I was just in contact with some people in my area - they are already beginning to turn away from sugar beets and they will be planting something or seeding something else this year.

Unfortunately there are not all that many alternatives left open to the farmers. Those that have already put the herbicide, incorporated it in last year, there's only one alternative for them, that is flax. When you think of the fact that you have 100 pounds of nitrogen in the land, plus about 250 pounds of 11-55, which is your phosphates, with that amount of fertilizer, your flax more than likely grow about four or five feet tall and lodge and you probably will not see a crop. So there really is not that many alternatives for those people who already have incorporated their herbicide.

However, those that have not incorporated their herbicide can go to alternative crops such as rape or wheat, and this is happening already because the land conditions are getting past the stage where it's suitable to grow sugar beets. If we are going to preserve this crop for this year, action will have to be taken and it will have to be taken right now. I hope that we cannot be quite as political as what we have heard today and maybe come up with the type of guarantees which are so necessary for this industry to continue.

The cost of producing an acre of sugar beets is extremely high. Last year's cost was \$609 per acre. Now you can see why the farmer will not plant sugar beets unless he has some assurance that at least he will be able to recover most of that cost. It's extremely high cost to produce sugar beets.

The way things are at the present time, the farmer would stand to lose at least \$150 to the acre. Now we're asking for a commitment of \$150 guarantee, which is about \$10 per tonne, providing you have an excellent crop of 15 tonne to the acre, and you could possibly break even. This still does not give the farmer any profit whatsoever, but at least it will allow him to continue for this year and hopefully the situation by next year will be resolved.

Some statements have been made, as far as stabilization is concerned. Sugar beets have never been a name crop under stabilization and I think that maybe the Minister of Agriculture and the Premier ought to know this. — (Interjection) — That's right, they were a designated crop. They have never been named but they were designated. The growers had to go in every year and negotiate with the Federal Government in order for . . . well, negotiate the price of stabilization or work on a formula. This was on a year-to-year basis, so it has never been a name crop; it was a designated crop.

I don't know where the Minister of Agriculture got the idea from that there would be no stabilization coming forward for the 1983 crop because that has not been determined as yet. We are still negotiating that, and when we were in Ottawa last week we were discussing this and we received the assurance that they would take this under consideration and they certainly would try to see what they could do for us.

The reason why the Federal Government has this problem, there was always a stabilization fund which always continued one year from the next, there was the Stabilization Fund. When the Liberals left office there wasn't a penny in the Stabilization Fund. That is why we're having a problem at the present time, coming up with resources in order to further the Stabilization Program.

**MR. SPEAKER:** Order please.

**MR. A. BROWN:** The Minister of Agriculture may not like what he's hearing but that's exactly what happened. There was no money in the Stabilization Fund, so what this government has to do now is start from scratch and try to build up a fund again in order to continue on with stabilization.

What is required from the Provincial Government at the present time is to offer a guarantee of up to \$10 per tonne for sugar beets. This is what's required; this is what the Alberta Government has committed themselves to and the Federal Government accepted the offer that the Alberta Government gave to them. The same commitment is now required by the Provincial Government.

However, if we can work out a national sugar policy and the Minister, I understand, in the telex that your Minister of Agriculture received, is willing to sit down with all members and all people concerned next week to discuss terms of what should be in this national sugar policy - believe me, the Federal Government is serious about a national sugar policy and we appreciate the support that we are getting from the government also in that direction because we need this desperately if we're going to preserve this industry.

But if we do get that national sugar policy, then it's not going to cost that government or the Manitoba Government a penny because, under the national sugar policy, any policy that would be worthwhile would have to look after the requirements of the sugar beet producers and everyone else; and I would think that the national sugar policy would be as all other national sugar policies are and they're trading on the world market. Sugar beet producers can operate very nicely under that national policy. They are operating under it under the European economic community. They are operating under that price in Brazil, in Poland and all over, so we can compete very well with producing sugar beets, what they do in Europe so there's absolutely no problem there.

So we hope, Mr. Speaker, that this government is going to realize that this decision has to be made now and for heaven's sake let's get down and next week get all the people together that are vitally concerned about a national sugar policy and let's see if we can come up with a suitable solution. The Premier says now, and I tell you it's not going to be that simple, to come up with a national sugar policy because it's going to take, I would say, a month or two of very, very intense negotiating in order to come up with a good national policy for Canada. It will not happen immediately. There is no doubt about it, but discussions can start as early as next week.

So, Mr. Speaker, with those few comments, I hope that we are going to see the government realize that there is a commitment that they need to make now and hopefully we'll be able to resolve it in the long term.

Thank you.

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

**HON. V. SCHROEDER:** Thank you very much, Mr. Speaker.

The Member for Rhineland indicated we should take some of the politics out of it. I will attempt to do so.

I think it's an important industry. It's an industry that we would like to save in this province.

Someone indicated that \$3.25 million or whatever the number is could save the industry. That's what we're attempting to do. We've indicated that if, indeed, the Federal Government is prepared to commit itself to a federal sugar policy, a policy that will be in effect by the fall of 1985 and, I think, we could discuss the specific timing — (Interjection) — Mr. Speaker, there seems to be a little bit of a misapprehension here by members opposite about what the effect will be of not having a national sugar policy.

This is the time we have to stand up for Manitoba farmers. This is the time. Let's not pretend we don't have the opportunity here. Our sugar beet growers are telling us that they are very much opposed to what the Province of Alberta did in putting money out there at a time when there was no commitment. They can't understand the logic of it. They think it was foolish. It was not in their interests for Alberta to have done so. Unquestionably!

It is the Manitoba sugar beet growers who said several weeks ago that they did not want to put in the 1985 crop, Mr. Speaker, if they didn't have assurance that there would be federal sugar policy in time for the next year. The solution they have proposed is one that, as the Member for Rhineland indicates, will cost the farmers money for this year. They're not coming along asking for a crop where they're going to make a whole pile of money and the government is putting money into it. They're saying they're prepared to invest one year's crop, but in return they want to know that the industry will be safe.

When we say we're prepared to go up to the \$45 a tonne and the Minister of Agriculture has explained our arithmetic on that - I think it's admirable - we have to look at the conditions. We now have to look at the other conditions of our offer. Does it not make sense to say well let's have that commitment on the part of the Federal Government that there will be a sugar policy that will be federally funded.

We hear the Member for Lakeside very politically saying well it's not a national thing because there's only three provinces. Tell that to the tobacco farmers of Quebec, Ontario. They have a federal marketing board, the Federal Government does those things for them; tell that to the auto makers down east; tell that to the soybean growers; tell that to a number of other industries and we can go through Agriculture, we can go through other commodities in this country. It is simply not true that other commodities are not being treated in this fashion in this country nor, indeed, is it true for the sugar industry.

You see, although the Member for Rhineland is absolutely correct in saying that under The Agricultural Stabilization Act, sugar beets are a designated commodity as opposed to named and he would like to have them named. What he doesn't also state is the fact that notwithstanding that, and the difference is a named commodity is entitled to stabilization, a designated commodity is entitled to stabilization at the discretion of the Federal Government and at the level the Federal Government chooses. That's a fact.

What he doesn't say is that in every single year since the 1950s - we're going through the St. Laurent Government, the Diefenbaker Government, right up to

the Mulroney Government - every year in which the farmers were entitled to stabilization, the stabilization was paid every single time. It wasn't as though it was infrequent. Out of the last 25 years, 15 years have been stabilization years - 10 years have not. The reason being, of course, occasionally the prices go up above what the costs of production are and so on. So, let's not pretend that this isn't another attempt to offload if the Federal Government gets away with it. Offloading is something that we are becoming concerned about.

I just want to mention several of those areas. We have the Women's Centre, the Crisis Centre where the feds were saying well we can't put the money in, so the province has to come along; the Manufacture and Research Centre in Winnipeg - they came along and said well maybe the province should come in; the night riders, just all kinds of areas; the Native policy suggestions by the Federal Government.

The Prime Minister has recently stated that the reason equalization was only legislated for five years was that they were looking at a termination. That's what he said. All of those kinds of offloadings are putting us in a position where we have to seriously look at any additional offloadings.

The Member for Lakeside, I thought, in a very scurrilous fashion suggested that we were saying no at this stage for political reasons - I'm sorry, Mr. Speaker, I apologize, possibly not scurrilous, fairly close to it though - suggested that we were doing this on a political basis because the constituencies involved don't have NDP members. A few minutes later, he referred to Toro which happens to be going into Steinbach. We will win Steinbach, Mr. Speaker, when we've won every one of the other 56 ridings in this province, then we will win Steinbach. That's an example.

We can talk about Main Street Manitoba. We can talk about the Jobs Fund programming and all kinds of those things. Even, indeed, with those particular constituencies the Menno-Van, \$25,000 we put in the other day. It is simply a ridiculous statement to suggest that it's done on politics.

What it is being done on and when he was talking about those other areas where we're funding new jobs or existing jobs, the difference is that we're looking at a long-term industry. That is where, of course, I think all 57 of us would agree. We would like to save an industry. If we can save this industry, then we're prepared to put the money in.

What we're not prepared to do is put the money in on a one-year basis and get right back into the crisis situation in 1986. We're asking the Federal Government to put its money where its mouth is. Tell us that you will have a national sugar policy in place by the fall of 1985 so this problem will not be there in 1986. Tell us that it will be funded federally whether through taxation or whatever means - that's appropriate - tell us that. Give us the assurance that the growers are not going to wind up losing their historic contractual position of 63 percent of the price of sugar as compared to the 37 for the company. Tell us that — (Interjection) — my parents were. I, of course, voted with my feet.

So tell us that we can have a long-term viable industry. People on that side are saying that's no problem. This policy will be in place. Then there is no cost to the Federal Government to simply put it to us in writing or by phone. You know, the members mentions that

the Federal Government has given us the commitment. That's not our understanding. It's a very simple matter to give us a telex and we would be quite prepared to proceed once those conditions are met. I think that members opposite should, and, of course, they haven't had the opportunity until now to look at that telex, take a serious look at it and see whether they would support that.

I think somebody should move that kind of a resolution, in fact, because you see these kinds of things do happen and somebody was mentioning what Alberta has done. Alberta has more money than we have. I think sometimes Alberta makes mistakes and sometimes - well, just for example, we can't always go along with everything that they do. They've put \$40 a tonne into canola and we couldn't afford it and we didn't do it and so we're in a similar position here, not with respect to not being able to afford it.

Our concern here, although all of us know we have too large a deficit and we all want to do something about it, we're prepared to put the money up, to go up to the \$45 a tonne, which they say is sufficient for them to be able to grow sugar beets this year and we want them to do that. We want also to make sure that, in so doing, we're not just throwing \$3 million or whatever the final number will be down the pipe, but are saving an industry, as members opposite want us to do; and I think that's the responsible thing to do and in the long run, when we look back at this kaffuffle a week from now or a year from now, people will say, yes, the Manitoba Government did the right thing because they got the issue on the table for proper solution now rather than dragging it out and putting the focus back on to the beet farmer and on to the provinces for the 1986 crop year.

So I would urge members opposite to support the telex that is being sent to Ottawa and show a united front for Manitoba sugar beet farmers, for Manitoba sugar beet workers and for our entire rural and urban economy.

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Speaker. As someone who has sugar beet growers in his riding, I wish to make a few comments with regard to this particular issue here this afternoon.

As my colleagues have indicated earlier, and really highlights the concern that I have, is that we will continue to have that industry in this province. While the government waxes eloquently in ideology of how ideally this situation should be resolved, Mr. Speaker, the fact of the matter is that the time for seeding is here and will be gone within the next couple of days so it's not a matter of sending telexes back and forth. This is time for action and not for writing and political posturing and that's what we're asking this government to do.

Mr. Speaker, the government might wonder why the farmers of this province, why the opposition and why many people are as skeptical about the tack that this government is taking. Well let me tell you, that many of us saw what the government was trying to do with the equalization payments and trying to create a federal case out of a situation that would have then allowed

them to have an election issue. The members opposite would dearly have loved to see the Federal Government not give them the \$115 million because they would have had an election issue and we would have been in the polls this spring.

What happens now? Why are we suspect? I think they're deliberately trying to pick a fight with the feds right now. Mr. Speaker, this government is in such political problems that they are trying to pick an issue wherever they can. They are waiting for the Federal Budget and they are trying to get as many issues in place so that they can run on what? On the only issue that possibly they can pick up a little bit of support and pick up some momentum and thus blame somebody else for their own inadequacies and their own mismanagement of this province.

So, Mr. Speaker, why are we suspect and why are farmers suspect? Because of the previous actions of this government; and what we're going to see happen in this particular case is we're going to get bogged down in telexes to the point where, as the Member for Rhineland indicated, within the next couple of days we're going to be planting other crops than sugar beets.

You know what the tragedy of this case is? That all parties, all Manitobans agree that our basic strength in Manitoba is agriculture and we should be doing everything - to what? To process those raw materials here. Here we have an industry that does that. Mr. Speaker, I want to tell you, we are spending \$14 million in losses this year at Flyer Industries.

**MR. H. ENNS:** Trying to build buses.

**MR. R. BANMAN:** We are anticipating another \$14 million or \$15 million loss next year. Mr. Speaker, to produce what? To produce buses for Chicago and for Seattle. Those benefits don't even stay here, and here we are talking about spending a fraction of that to make sure that tomorrow and the day after the farmers can put in their crops, not send more telexes. It's planting time; it's time for action and not waffling.

I predict that this government - and this is the tragedy and this is why they're doing so badly in the polls right now, that in almost every one of these issues they get dragged into it kicking and screaming and eventually realize the error of their ways and then have to do it. And this government will have to act within the next couple of days and the onus, the ball is now in their court. The ball is now in their court because if they will not move, this industry will not move.

I want to tell you, Mr. Speaker, if it wasn't for the opposition constantly on the heels, keeping these gentlemen and ladies opposite honest, we wouldn't have any of this happening.

Mr. Speaker, here we have a situation where the government has an industry, not only in developing the raw product, we also have a processing industry which is something that we all want in this province. We want to further process our agricultural commodities that we grow. So I say to the Premier and to the Minister of Agriculture and the members opposite, we can sit here and argue which is the best approach to take over the long run and I think we're all agreed that what we have to have is a national sugar policy.

We also realize that the sugar industry in this world is in real trouble right now. I know the cane growers

in some of the regions like Cuba and Hawaii are talking about tearing out their cane fields because the prices are so bad, so there is a real problem developing, one which will have to be tackled by the province, by the Federal Government, and we all know that will require some time to develop that policy.

In the meantime, we have to seed and we have to seed within the next few days and, Mr. Speaker, facing that reality, we have to move on this and I urge the government to move on it, make sure that the negotiations in the future represent fairly our farmers in this province and our taxpayers, but it's time now, in light of the fact that we're not at the eleventh hour, we're like at 11.59-and-a-half. I mean we're just about at noon and the clock is running, so I say to members opposite, all you have to do is look outside. The grass is turning green; that seed has to go into the ground within the next couple of days. Let's do it; let's do it now and protect this industry which is vital to this province.

**MR. DEPUTY SPEAKER, C. Santos:** The Minister of Economic Security.

**HON. J. STORIE:** Thank you, Mr. Speaker. In my youth, growing up on a farm, we did not have an opportunity to grow sugar beets, but I have to say I have some sympathy for the problems that the sugar beet growers are having.

I have a lot less sympathy for the remarks from the Member for La Verendrye. Mr. Speaker, the Member for La Verendrye argues that the province should be supporting the sugar beet industry because the province has shown a willingness on other occasions to support other industries.

Mr. Speaker, the Minister of Agriculture, the Premier, have indicated clearly that we, in fact, are willing to support the sugar beet growers. Mr. Speaker, we are. Having said that we are willing to support the sugar beet growers, I will say that like other industries, like other initiatives that we have taken to support industry, we have done so only when there was some assurance or some likelihood that support was going to be in the long-term best interests of the province and the taxpayers.

Mr. Speaker, the Member for La Verendrye suggests that the \$14 million loss in Flyer this year is unacceptable. We all say that. The Minister responsible has done yeoman service in attempting to come to grips with that problem. No dollar was spent on Flyer or other Crown corporations. No dollar was offered to private industry, to private corporations without the expectation that those dollars were, in the long term, going to create an enterprise, a corporate entity that was going to succeed - the key is success - the long-term viability of those operations.

Mr. Speaker — (Interjection) — the Member for Pembina continues to spew his particular brand of bile. I would appreciate it if he would control himself long enough to allow me to make my remarks.

Mr. Speaker, I'd indicated that the Member for La Verendrye had expressed concern about our willingness to support other industries and mentioned, in particular, Flyer. What the Member for La Verendrye neglected to mention is that this issue, the support that's being

requested by the sugar beet industry this year, is not a one-time issue. It is not the first time that the sugar beet growers have been subsidized by the taxpayers of Canada or the taxpayers of Manitoba. The key issue, as the Member for La Verendrye correctly pointed out, is a sugar policy for Canada.

Mr. Speaker, in 1983, the Federal Government through the ASA would have been responsible for approximately \$6.8 million in subsidies. That's not talking about the subsidies that occurred in the previous 11 years or those years when a subsidy was required. We have pumped, as Canadian taxpayers, multimillions of dollars into the sugar beet industry already. What we're being asked to do again for the first time as a province is contribute in an ongoing way to the dilemma that faces sugar beet growers. Mr. Speaker, what we're being asked to do this year is support in total an amount equivalent to the losses of Flyer in this year. The Federal Government has indicated it's prepared to support in the neighbourhood of \$8 million for the sugar beet growers. We're being asked to support another number of millions of dollars.

Mr. Speaker, the problem with that is, and this government would have no reluctance in providing that kind of support, if we knew there was some likelihood of dealing with the real problem. We know what the real problem is; the real problem is that cane sugars can compete in a far superior way to the sugar beet industry in Manitoba. It is much more cost-effective. So what we have to do and what the Federal Government recognized it had to do for a long time was establish an import policy that was going to either allow our industry to compete or going to allow our industry to die.

Mr. Speaker, we have no problem with the Federal Government making up its mind. We do have a problem with the Federal Government trying to impose short-term solutions and involve us in them, when there is no long-term solution on the horizon. What the Minister of Agriculture has asked the Federal Minister to do is make a decision for Canada. He has to make that decision because we can go on supporting by way of subsidies from the province and the Federal Government ad infinitum; we can do that, but I don't think it's responsible.

What the Minister of Agriculture for the Province of Manitoba is asking the Federal Minister to do is get responsible. Is he serious? Mr. Speaker, we know that this is an issue that affects members opposite. We know that many of them have sugar beet growers in their constituencies. We have never shirked our responsibility in terms of providing the assistance that's required, but we are a party and a government that believes in planning. It is clear from the equivocal kinds of statements that are coming from the Federal Minister of Agriculture that they do not believe in planning. There is no concept of what planning is all about. If there was, they would be talking about a sugar policy; they would be sitting down with the sugar beet growers and not talking about ongoing subsidies in the range of tens of millions of dollars.

What they would be doing is saying, we have a serious problem and we are going to have to fight it on a Canadian and a federal level; we're going to support the industries that exist in Ontario and Alberta and Manitoba; we're going to have an import policy that

supports that industry - or we're going to withdraw; we're going to deny the fact that there's a problem; we're going to lay the responsibility on the provinces. Mr. Speaker, that's not responsible.

The Federal Minister of Agriculture should be ashamed of himself for shirking his responsibility. The Minister of Agriculture, through the Premier, has indicated that we are prepared to support sugar beet growers in the Province of Manitoba. Mr. Speaker, we are prepared to. We have laid out some realistic, practical, pragmatic conditions which are attached to that support which will indicate to sugar beet growers that the support that we're offering is sincere and long-term.

Mr. Speaker, members of this House know well that if we offered \$3.5 million of support to top up federal support, that wouldn't solve the problem. We know that the sugar beet growers have required support for a number of years. Anybody that's been involved in the industry knows, anybody that's prognosticating in terms of the world prices for sugar knows, that the problem is not going to go away. We're going to have to face it again and again and again.

Mr. Speaker, the conditions that were being asked for are reasonable and the Premier has indicated that he would like a response. We know that it's an urgent problem. We will see whether there is any real commitment on the part of the Federal Minister of Agriculture to deal with the problem. We will see in the next number of days whether the Federal Minister has an understanding of what needs to be done to resolve this problem.

Mr. Speaker, I have some fear that the Federal Minister of Agriculture is not going to show any leadership. We can only hope, because we have set the tone. We know that there's no point in throwing provincial dollars at what has traditionally been a federal responsibility. We know that there's no use in that unless the Federal Government is going to make a real and lasting commitment to the growers in the various provinces, particularly Ontario, Alberta and Manitoba.

Mr. Speaker, on the larger question, I suppose that I find this debate somewhat ironic - I find it necessary but I find it ironic. The Federal Government has clearly been in a conundrum of its own design. We have the First Minister of this country out promoting free trade. We have a little microcosm of the kinds of problems that the Federal Government is going to encounter every time it promotes that kind of policy. We have the free trade groupies on this side represented by members like the Member for Rhineland, who are now confronted with the real dilemma of free trade.

The Member for Fort Garry wants to know what the alternative to free trade is. Mr. Speaker, the alternative to free trade is the kind of import quotas that the United States Government just imposed. That's the alternative. — (Interjection) — That's a very good question. The Member for Morris asked the question why did they impose them? Well, the Member for Morris perhaps should stand up and answer that philosophical question. I am not supporting free trade. I have never said that free trade exists. Anybody that looked at all intelligently at international trade knows the concept of free trade relates to very few commodities in the world.

Mr. Speaker, this example, the example that's being brought home to Manitobans is instructive. It's

instructive for members opposite who want to belong to the free trade groupie club. It's instructive to our First Minister. It's instructive to the Federal Minister of Agriculture, and I hope it's instructive to those supporters of ours, those Manitobans who are waffling on the issue of whether this is going to be good for Manitoba and Canada.

Mr. Speaker, we have right here a bottom-line example of the complications that it's going to introduce. The Member for Rhineland has decried the kinds of subsidies that we've provided to industries. The members opposite try to represent themselves as the free-enterprise, the free-trade party. They are kidding themselves. The sugar beet industry is an example. It has been subsidized by the taxpayers of Manitoba and the taxpayers of Canada for 11 out of the last 13 years; they're asking for subsidies again of even greater magnitude and now the Government of Manitoba is being asked to contribute in a very direct way. The problem, Mr. Speaker, is that we have to decide whether we're going to impose import duties; whether we're going to limit the import of sugar, cane sugar in particular, to Manitoba and to Canada; whether we're going to support our home grown beet industry. We have to make those decisions.

But let's not kid ourselves about what the problem is. The problem is that we can't produce sugar as cheaply in Manitoba using sugar beets as Third World and other countries can using cane sugar. If we're going to support it as the Federal Government has over the past 11 years, let the Federal Government take the lead, let the Federal Government set the policy that's going to do it, let the Federal Government act in good faith . . .

**MR. SPEAKER, Hon. J. Walding:** Order please, order please. The honourable member's time has expired. The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Mr. Speaker. I also appreciate the opportunity to make some comments on this matter of urgency and importance in this House. A fair amount of heat has been generated in the last little while which, I think, attests to the fact that it is a matter of major importance. Unfortunately, Mr. Speaker, while we're debating this issue here, I fully believe in my mind, that all 57 members in this House are basically concerned about retaining the sugar beet industry in Manitoba. I fully believe that everybody is concerned in that respect. I also fully believe, in my mind, that this government is prepared to pay their contribution as requested on a matching basis. I'm confident that this government will do that.

What bothers me is the fact that we're debating it in this House at the present time and we're playing politics with the issue. I fully believe that the present administration is using this issue to try and do some fed-bashing, which has become more apparent all the time lately.

It reminds me of when the previous Member for Inkster sat in this House, and he was always a shrewd debater. He indicated at one time that the course of governments moves always in the same pattern. The first while after an election, you blame the previous administration for all the problems and things you can

or cannot do. When you strike out with that and it doesn't sell anymore, then you start bashing the feds. When that doesn't sell anymore, then you have to call an election. It's the three envelopes, the story that he used.

We, Mr. Speaker, are at the fed-bashing stage, at the tail-end of it, I would assume, because on every issue that this government has to accept responsibility on, they blame the feds. As I indicated before, the unfortunate thing is that while we're debating this issue here, and politics is a nice thing, there are many people being hurt out there. I would like to implore the Premier, I believe you are going to contribute that money in spite of the grandstanding that's being done in terms of getting the feds to make the kind of commitment that you want. I believe and I'm sure he believes that there is going to be a genuine commitment and undertaking to have a national policy worked out. This issue has now been highlighted across Canada in the various provinces, and I feel confident with the commitment that has been indicated by the federal people that we'll have a national policy worked out.

So now, it's just a matter of grandstanding here, for \$3.5 million, which is a lot of money; at the same time, when we consider that we're looking at an industry - and all the various arguments haven't come forward - a \$90 million industry that is affected and I believe, for that reason, for the amount of jobs involved here, direct jobs, indirect jobs and the effect on the farm community, I know this government is going to come along with their commitment. They have no choice because it would be the death knell for their election if they did not go along with this thing, because it makes so much sense in the aspect of job creation, in the impact on the agricultural community - just the ripple effect, it affects everybody. Many members say, we don't have any sugar beets in our area. It is an effect that is felt throughout the province. I know that they will meet their commitment.

Why would we go through this agony and heart-wrenching affair for many of the farmers who are waiting out there who have bought their seed, have treated their land with chemical, as indicated by the Member for Rhineland. They're all ready to go; their options are limited - and we're playing games here. That is most unfortunate.

That is why I feel disappointment in the Premier and the Minister of Finance who met with and I believe now understand the situation with the beet growers in Manitoba. I believe they know the impact of it and they're going to squeeze it to the last minute to try and get the most political mileage out of fed-bashing at this stage of the game. Unfortunately, it is the farmers who are getting the brunt of this delay and this political game that's being played. How about the employees? We're looking at 150 permanent jobs. I know there are many people from my area, who every fall when business gets going, that are employed to supplement their incomes with that. The regular employees, the full-time employees - how about the agony in their minds while this game is being played?

Mr. Speaker, I believe that it is a game that's being played by this government. This is a government who, yesterday in Estimates of Natural Resources, the Minister indicated there's \$6 million out of the Jobs Fund being spent in Natural Resources for reforestation

and things of that nature. I think we're looking at a total budget of approximately \$200 million through the Jobs Fund allocating various jobs, and this is basically a kitty or a fund that the government uses to draw whatever they want to make political impact.

Out of the \$200 million Jobs Fund, the \$3.5 million required is not that major. I'm sure that jockeying could take place. When the Minister of Finance says that the deficit is high, I certainly agree it is too high. But they have this pool of money that they move around wherever they want to politically, and what better place to drop \$3.5 million to keep the industry alive for one year while the Federal Government sorts this out? The Minister of Agriculture has had trouble dealing with real issues. He likes to slide around issues. Here he's got one right on the nose, then he has to run to the Premier and to the Minister of Finance and see how they can skate around it. Then the three of them together, including the Minister of Labour, then decide they're going to make a federal political issue out of it.

I just want to indicate that I am disappointed that the Premier of Manitoba would play with this kind of an issue, play political games, and I know, in my mind, I feel very sincerely that he is playing a political game with this issue and it is creating very sincere concern and agony in people's minds all over Manitoba. I ask that he reconsider his position, get up and say that he will make that commitment and will negotiate with the Federal Government to hold them to that commitment that they will get a national policy going, instead of trying to do this grandstanding thing that he's doing. If he does not move soon, the urgency is in people's minds - and the agony of the thing - the Premier knows this and that is where my disappointment lies, Mr. Speaker.

We can have all kinds of debate in this House and differences of opinion, but now we are hurting people, not just financially but otherwise as well. I ask the Premier to reconsider his position, indicate the thing that you're going to do anyway, indicate it now.

Thank you.

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

**HON. S. USKIW:** Mr. Speaker, the resolution we're dealing with is one that indeed is more than timely. It's been a problem that has been brewing for a good number of years and, as a matter of fact, Mr. Speaker, I'm not surprised that we're in this kind of an impasse because of the way in which Agricultural Stabilization Programs have evolved in Canada over the last 10 or 15 years.

The first premise that we should remind ourselves of is the fact that Agricultural Stabilization Programming used to be perceived, at least, for a long, long time and throughout Canadian history, as a national responsibility for all agricultural commodities. It was not deemed to be a provincial government responsibility; and to an extent we can blame provincial governments for where we are now and I don't mean any particular government, all provincial governments, because rather than going after the national system over the last two decades, whenever they refused to administer The Stabilization Act of Canada, the

provinces started to set up their own initiative, in each province, and took the pressure off the national government, Mr. Speaker.

This has been coming for the last two or three decades . . .

**A MEMBER:** Howard, I think this is a leadership speech.

**HON. S. USKIW:** . . . and certainly the Liberal Government in Ottawa did a lot of that, Mr. Speaker.

But let's go back to the status of The Stabilization Act as it was put on the books in Ottawa by the then Conservative Minister of Agriculture. Douglas Harkness was the gentleman that revised the Stabilization Programs for agriculture way back in the '60s, under the Diefenbaker administration; and that was supposed to be the end-all resolve to agricultural pricing problems. But there was one major weakness in the legislation. The intent was noble, Mr. Speaker, and I don't want to condemn that effort. The attempt was noble, but because there was ministerial discretion that had to make it work - or was required to make it work - we found that the political pressures of the day quite often stymied consideration of payment to agriculture out of that fund, either budgetary considerations or priorities elsewhere or a lack of representation at the political level, at a given moment in time, did not produce the resolve to live up to the expectations that were enshrined in that legislation. So we have that as a background to where we are, Mr. Speaker.

We had a new innovation for Western Canada during the last term of the Liberal administration, having to do with the western grain production. Therein is a bit of a hooker - if you don't mind the expression. Up until that point in time The Stabilization Act that was passed in the '60s never seemed to do justice to Western Canada or to Western Canadian farm commodities whenever they were in crisis, and we've had a number of crisis years as members opposite would agree.

But then we adopted The Grain Stabilization Act and that was going to now be the answer to Western Canadian agriculture essentially and The Stabilization Act that was there would still apply to the other commodities across Canada, primarily to Eastern Canada. What has happened since those two documents were working side by side in tandem, Mr. Speaker? We have witnessed the fact that Western Canadian farmers have made substantive contributions towards the Stabilization Fund from which we now are receiving some payments. The eastern farmers and the other commodity groups have not contributed one penny towards their stabilization; so we have an inequity between, essentially, Eastern Canada and Western Canada. We have an inequity.

Western Canadian farmers are essentially subsidizing or providing their own Stabilization Fund with a little bit of federal support; Eastern Canadian farmers are receiving more support without having made a contribution towards any fund. That is unfair, Mr. Speaker. One of the reasons that was designed that way is because the power structure of our country was centred in such a way - and I have to say that, Mr. Speaker, because I believe it to be true - that we skated Western Canada off to the side to look after themselves, to a degree, but we then proceeded to enhance the

amount of support for the rest of the commodity groups and, in particular, Eastern Canadian farmers, under the old act.

So we do have to redress that and I hope that the new Government of Canada - and I'm not going to judge them today because I think they are too new to be judged - I think they should look at that question, the inequity that is there and we should be pushing for a resolution to that inequity, collectively, regardless of political posture or political view. I don't believe this is a partisan issue; this is an economic issue for Western Canada.

The Member for Rhineland suggested in his comments the reason they haven't been able to make a payout for 1983 and '84 to the sugar beet industry is because the fund has expired. There is no money in the fund. Mr. Speaker, it's a very simple measure to put money into the fund; it's a stroke of a pen, by way of loan or advance or whatever mechanism any government wishes to use. They have that opportunity if they want to put money into that fund. If it is in the red, they can replenish that fund. They can work out a formula on how to make it solvent. We can do that here; they can do that there, so that is not indeed the problem.

The problem is that probably the new Government of Canada is not yet sure where it wants to go with respect to national sugar policy and I think that's fair. It's fair that they should not be sure because maybe we need a long look at where we're heading in this industry and it needs some time; and I agree with that request that they need time. On the other hand, Mr. Speaker, we have to recognize that the provinces don't want to be sort of manoeuvred into a position of doing what we have done only too many times over the last two or three decades and that is getting caught up in this business of dumping the responsibility onto provincial governments. We don't want that to happen either, so yes, we should respect the Federal Government's need for time to talk policy, to develop policy.

We shouldn't condemn them for not having policy today, but all we should ask of them, Mr. Speaker, is yes, we will put our commitment on the table in exchange for their commitment on the table that they indeed will not dump this responsibility on the provinces once they have established their new long-term policy. That's all we must get from them by way of a Letter of Intent. A Letter of Intent would do that. We don't need to have it spelled out as to how they will evolve into a new policy or what it should be.

All we need is a Letter of Intent that says, this year we want your help; next year we assume the responsibility again, because if we don't do that then we will have committed ourselves into a long-term policy of assuming a responsibility that we've never had before.

So let's be precisely fair; let's agree - and I think there should be a resolve of this Chamber. I don't think it should be partisan; I don't think it should be political grandstanding. I think we have the capacity here to have a common resolve if we set politics aside. But it has to be two-tiered; one is that we have to give the Government of Canada time to review their policy. The other is, while we are giving them that time, we need a commitment from them, yes, this is a one-shot deal,

Manitoba. We will not be asking you for this next year. That's all it takes and we have a deal.

I would hope that in the course of this debate, Mr. Speaker, that we can arrive at that position where a common resolution goes out of this Chamber advocating that kind of position for (a) the Government of Canada and (b) the Province of Manitoba, so that one or the other is not on the hook, that we have a full understanding of our responsibility and of our commitment.

Thank you, Mr. Speaker.

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

**MR. L. HYDE:** Thank you, Mr. Speaker. I wish to enter into this debate on this very important subject we have before us that the beet growers association are faced with in our province.

Time, Mr. Speaker, is the major factor here we're faced with today. Growers are in the growing season now where every day is counting. I just don't understand why this government does not understand why the government don't realize the importance of the growing season. Farmers can't wait. We need the action of this government today.

Mr. Speaker, I realize the importance of this industry not only to my constituents where a major part of the beet production comes from. I realize the importance of this industry to the economy of our province as well.

Portage has come to be known as the special crop centre of the province where vegetables of all types are grown. The soil is suitable to it. So, when we're involved in the special cropping, we also realize the cost factor that must be taken into account. The cost is tremendous, Mr. Speaker, for the special cropping of both small vegetables and that of the sugar beet industry.

Mr. Speaker, it's difficult for me, and the farmers of my constituency just cannot realize the government is taking so long to act on this most important move we're faced with now. There are hundreds of jobs at stake - what is it? - 150-200 jobs at the plant in Fort Garry alone. This government we have before us today, they claim to be a caring government. They preach that and yet they can't be very caring when they won't move on an issue such as we are faced with today. The government is tinkering with a multimillion dollar industry when they are slow to act on this move.

Mr. Speaker, I urge the Minister to act now and attempt to save this industry for the Province of Manitoba. I have not read the draft of the telex, Mr. Speaker, but I believe that we have a fair idea what will be in that telex when it's sent to Ottawa. At this time, I urge this government to move and act now before the growing season is past.

Thank you.

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

**HON. A. ANSTETT:** Thank you, Mr. Speaker.

Mr. Speaker, I agree with a great deal of what I'm hearing from members on the other side, particularly those things that they have said that concur with the

remarks of both the Minister of Agriculture and the former Minister of Agriculture from the 1970s, the current Minister of Natural Resources. Contrary to the statement just suggested by one of the members opposite, they were a symphony; they're in complete agreement. Most of the members opposite are also in agreement. Let's examine what the bottom line is here.

I don't believe that any members opposite are suggesting for one minute that the province should now begin to assume responsibility for programs that the Federal Government, for whatever reason, whether it was a suggestion by the Member for Rhineland that the pot is empty, there's no money left in the Stabilization Fund, which I don't accept; I don't know where he got that information. I don't think they believe for one reason the province should begin to accept responsibility for offloading of programs on to the back of the province. I don't think they believe that; I don't think they're recommending that.

What they want is the Provincial Government and this House to come to the assistance of sugar beet producers and they want that to be done under certain conditions. I think they accept the fundamental condition that in an area in which primary responsibility has been with the Federal Government, that's where that responsibility should continue to be and that the offloading of the costs of that responsibility on to the province and assistance by the province in maintaining a national sugar policy that's been in place for over 40 years should not occur, whether the provinces have a role in guaranteeing the integrity of that system and in ensuring that it takes place, and I think we're all agreed on that.

I think it's rather interesting, Mr. Speaker, and I just want to deal with some of these basic facts. I haven't heard anyone quarrel with that suggestion. I also think it should be important for all members of the House to recognize that when the Alberta Government in a letter earlier this month from Premier Lougheed to the Prime Minister of Canada, recognized the urgency and seriousness of planting decisions, he asked in very strong terms for a clear commitment by the Federal Government to pay 1983 stabilization, and to date no such commitment's been given. There's been no commitment 'to '83 stabilization.

In fact, under the calculations - this is somewhat interesting - had '83 stabilization under The Agricultural Stabilization Act, an act developed and in which faith has been provided by thousands of prairie farmers, by the Diefenbaker Government in 1958, and a darn good act, 1983, that would have required a commitment by the Federal Government of \$6.3 million. They're not prepared to acknowledge that commitment, but that's the commitment today.

I believe members opposite agree with members on this side and agree with Premier Lougheed of Alberta that the Federal Government must make a commitment for 1983 stabilization. Without that commitment where are we going? I believe that without that commitment the implications of federal withdrawal from support for sugar producers are clearly there and that their level of support will be reduced and the provinces will have to pick up the hindmost. That's the real danger, Mr. Speaker.

Mr. Speaker, the other thing that's suggested by some members opposite, and I do want to address this

because this is an area where we appear to disagree, and this is the press release put out by John Wise and Charlie Mayer, the two Honourable Ministers involved in Ottawa last week, in which it said that the Federal Government "will look into the advisability of establishing a national sugar sweetener policy."

The Minister of Agriculture of this province has said that he has twice now requested a commitment that that policy will actually be put in place and there's been a refusal to make that commitment. We have had for 40 years a national sugar sweetener policy, and since 1958, that policy has been supported by The Agricultural Stabilization Act. For the first time since the Second World War - 40 years - we have had a statement that the old policy no longer exists because we've had denial of the commitment under The Agricultural Stabilization Act.

Now, that can be corrected. We, on this side, and I'm sure members opposite and I'm sure Premier Lougheed of Alberta would be satisfied with a commitment that ASA was still in force and stabilization would be paid. That would go a long way to solving the problem, Mr. Speaker, but we don't have that commitment.

Mr. Speaker, another thing that's rather interesting is that we have requested that commitment both in telephone conversations with Mr. Mayer and in telexes to the Prime Minister several times over the last week and have neither a commitment to continue stabilization, not just for '83, but for '84, '85. The sugar beet producers are looking in the long term for a commitment that's going to extend and protect the industry in the long term. We also need a short-term commitment.

Mr. Speaker, we were prepared to give that commitment today and we've done that and that commitment is very straightforward; and although the numbers, of course, are ballpark numbers, they're based upon estimates of the industry and the Federal Department of Agriculture and the Provincial Department of Agriculture, but I believe that they are estimates on which all three agree. They are production estimates at \$45 per tonne. They request, not that the Federal Government throw a pile of money under The Agricultural Stabilization Act, but that they only meet the historical average, an average that was started by John Diefenbaker, not by the Liberals.

I get a little concerned when I hear concern that the Liberals were the genesis of this problem. They weren't. They continued a program that had been in place federally. It turned out that they didn't have to do very much because sugar prices were high during most of the last decade. There were payouts in only a few years since 1970.

Since 1970, when there was only a payout of 95 cents a tonne, there have been payouts in only four years, but prior to that there were payouts in 11 out of 13 years, from '58 to 1970 inclusive. So, Mr. Speaker, the first thing we've asked is that there be support at the historical level. I think that's reasonable and we have a commitment to that support, as Premier Lougheed has requested and we're looking for that commitment in '84 and, as well, in '85.

It would be nice to have sugar beets as a named crop rather than as a designated crop. The language of the act is such that a commitment by the government

to make the word "may" operative has the same effect. Secondly, we're looking for an amount that would approximate \$9 a tonne from The Agricultural Stabilization Act funds. That's really what the dollar amount is, looking for that historical commitment, the 20 percent support level, it's about \$9 a tonne.

Beyond that, Mr. Speaker, we have offered and are prepared to support, on the same basis, the shortfall beyond that and that's what that telex says. Members have a copy. The difference, after you add \$25 a tonne of producer revenue from the sugar company and \$9 a tonne from the Stabilization Program, leaves \$11.00. We have offered to the Federal Government, on a one-shot basis this year, to split that difference. That's \$5.50 a tonne from both jurisdictions, to deal directly with the seeding intention problem for this year.

We don't know what the five-year rolling average will, two years from now, produce for 1985. It may not be necessary to place any funds of that \$11 a tonne at the disposal of the fund to top up; but it will be a commitment, that if prices continue where they are, that support from Provincial and Federal Governments will be available because the real problem right now is that - and this is really why this has become a crisis - is that The Agricultural Stabilization Act support is not committed, but worse than that, even with that support committed, there isn't enough money. That's a very interesting question, but there isn't enough money, on a projected basis, using the five-year rolling average. We don't know whether those projections will maintain. We can't project world markets. It may well be that slump will be picked up by increasing prices and increasing returns in future years.

Mr. Speaker, I think very clearly the telex forwarded by the Premier of this province to the Prime Minister sets out a reasonable set of conditions which will prevent off-loading, which asks for a direct commitment, not only to a long-term policy which can be attained in a variety of ways, including a national levy of somewhere around of half or three-quarters of a cent per pound on imported sugar, or some other ways; but it also addresses the short-term need to assist farmers in planning decisions.

I commend members opposite for bringing this matter on an urgent basis to the House. I recognize its pressing necessity. I hope that recognition is shared by their colleagues in Ottawa.

Thank you.

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

**MR. F. JOHNSTON:** Thank you, Mr. Speaker.

The previous speaker made the statement several times during his speech and it was, I don't know or we don't know; we just don't know. Then he mentioned the bottom line when he started out. What he doesn't know is the bottom line is that we have a factory in Fort Garry that has 150 people working steadily and probably 250 during the busy season; we have 440 farmers that depend on the growing of sugar beets; we have people that are in the business of making farm machinery and selling farm machinery who are dependent on the sugar beet factory and the bottom line also is, Sir, that we have people in the trucking

business who are dependent on the sugar beet industry and the bottom line is a great big dollar figure of a \$90 million industry in the Province of Manitoba that this government, at the present time, is teetering around with and probably, if they don't move, will let it go down the drain.

They are trying to put the blame on the Federal Government and they are sending telexes, a telex that, would you believe, a Premier could end a telegram to the Prime Minister of Canada and copies to Premier Levesque and Premier Loughheed and Ministers and he says, "If I do not have a response, I will assume your government does not share in the urgency of the situation and the significance of the Manitoba and Canadian sugar beet industry for our country." That is an insult to Prime Minister, to suggest to him that the Prime Minister does not have any concern for an industry within this country. You know, I could see the other two Premiers looking at that and saying, is that that dumb little puppet that was in Regina shooting his face off again? That's just about what would happen.

Mr. Speaker, that is the type of confrontation we don't need, what we want to maintain in the Province of Manitoba - as a matter of fact, Mr. Speaker, if I was the Prime Minister I would say, go jump in the lake. I would say that to the gentleman, obviously.

We've had some of the speakers get up on the other side of the House and they talk about the problems within the industry and they keep mentioning one. Then another one will mention one and somebody else will mention one. They haven't even taken the time to really learn the problems of what has gone on in the sugar beet industry.

We on this side have met with the growers. We had some representation go to Taber, Alberta for us. We have met with the company; we have met with the Federal Government and the Ministers in Manitoba because we have as much right to talk to the Ministers in Manitoba as you do because we have members that represent those areas and have concerned farmers and we have learned what the problem is.

We've had a world situation in sugar that has crept up on us over the last two or three years. We've got cane sugar coming in cheap. We've got artificial sweeteners; we've got the American Government subsidizing their industry and we're having sugar dumped into our country, purchased, a tremendous amount of sugar come into this country. We have a problem in the European Markets. We've got a worldwide sugar condition within this world which is affecting our nation.

Mr. Speaker, I will tell you very sincerely that crept up on us while the Liberal Government sat there and let it happen over a period of two or three years. It crept up on this country and all of a sudden we were sitting there looking at it and a new government comes into power and there's a massive problem of the sugar industry, which is worldwide, affecting this country and they said here's the problem, gentlemen - and all of a sudden everybody's saying what are you going to do about it? The Stabilization Fund is practically broke.

Now, what happens? Mr. Mayer working with the Honourable Mr. Wise goes to work and they "found" \$8 million. If you sit down and you talk with them, and if you don't believe him, tell him don't believe him. Have the guts to get up and say you don't believe him if you

want to do that. He found \$8 million and he said, okay. Alberta was continually saying — (Interjection) — Oh yes, well . . .

**MR. SPEAKER:** Order please.

**MR. F. JOHNSTON:** . . . Same old story, Mr. Speaker, when they get trapped they start yelling about other things.

So, Mr. Speaker, he comes up with the money and Alberta comes along and says, we will support our industry. As a matter of fact, in the meeting in Taber, Alberta - and maybe the Minister of Agriculture of Manitoba should maybe know this - it was made known to the growers in Alberta that there would be some assistance from the Provincial Government because we knew that there was an international problem and it had to be solved, but we weren't going to let our industry go down the drain.

Now, Mr. Speaker, what happens? We all have this international problem. It has been put upon us by a previous government. We've got a situation in Manitoba where we hear this government often say, well, it isn't our fault; it comes from somewhere else. What can we do about it? It's the Federal Government's responsibility; but here we have a problem. We've got to get a group of people together - if you're in business today you'd get a group of people together and you'd say, look fellas, let's break this road block. Let's get it the devil out of the way, let's get the thing producing and then, of course, we'll sit down and we'll solve the long-term problem.

So, there's been a request for a group of people to get together and solve the problem that will keep a \$90 million industry going in Manitoba. Let's not play politics with it, Mr. Speaker, let's just get it done. If you want to tell the Minister that the Minister of Agriculture spoke to last night, that he is misleading the Minister when he said to him last night - because we've been phoning him saying, what are you going to do - look, I told them I would call a meeting within the next couple of weeks to get everybody together to start to work to solve this problem and have a national sugar policy in Canada. That's the commitment he got last night. — (Interjection) — A commitment to a meeting — (Interjection) — Just a minute, Mr. Speaker . . .

**MR. SPEAKER:** Order please.

**MR. F. JOHNSTON:** . . . Now, Mr. Speaker, we've got this little man trying to gain stature again. He got a commitment to have a meeting with a group of people to start immediately to put the thing together to come up with a Canadian sugar policy. He could be part of that meeting, the Minister of Agriculture can be part of that meeting. He can suggest who should be there to start it and how fast it should be started and how fast they should get it going.

Now, Mr. Speaker — (Interjection) — well then, tell the Minister that you don't believe him.

**A MEMBER:** We believe he wants to have a meeting.

**MR. F. JOHNSTON:** Well, Mr. Speaker, they know that they are playing around with the people's lives of

Manitoba and they want to joke about it. They don't want to take anybody's word for it. They just want to play politics with it so that they can come out of it very well.

Then, Mr. Speaker, we have the situation — (Interjection) — Well, Mr. Speaker, the reason that the Ministers on the other side won't take another Federal Minister's word is because they can't trust their own. That is basically the reason. This group of people, this government, will turn around and spend money for graphics. We have the Minister of Industry and Commerce saying, I saved an industry. He put with guaranteed interest, forgivable loans guaranteeing the bank loans, he would save industries. — (Interjection) — For cheap jobs, that's why, in Manitoba. He would put \$40 million out to get Pratt and Whitney . . .

**MR. SPEAKER:** Order please.

**MR. F. JOHNSTON:** What'll he do for this?

**MR. SPEAKER:** Order please. The honourable member's time has expired.

The Honourable Minister of Culture.

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

I've listened with a great deal of interest and concern with respect to the issue that we're in emergency debate on this afternoon and I've been somewhat surprised by the attitude that's been taken by members opposite. I'd just like to focus in on a couple of areas — (Interjection) — The member opposite suddenly has this new-found interest and concern about workers, Mr. Speaker. Where was he — (Interjection) — No politics. Where was he when Swift's closed? Where was he when 600 workers were put out of work and millions of dollars were taken out of the Manitoba economy affecting farmers, affecting those same people that he's up here banging his chest about? Where was he then, Mr. Speaker? What did he say then? You know what he said then? He said any action to save Swift's would be foolhardy and without merit because the plant is shutting down because it's a losing proposition . . .

**MR. SPEAKER:** Order please.

The Honourable Member for Sturgeon Creek on a point of order.

**MR. F. JOHNSTON:** Will the honourable member permit a question?

Will the Honourable Minister tell me if the sugar beet factory is losing money?

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

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

I was attempting to put on the record the comments of the member opposite when 600 workers and millions of dollars were taken out of the farm economy here, taken out of the hands of farmers, he said at that time that any action would be foolhardy and without merit. He talked about - this is a national concern and we shouldn't just offload and say that it's a federal problem. You know what he said then? He says this is a Canada-wide problem. There's nothing we can do about it in

the Province of Manitoba. Here today, we've got this new-found and sudden awakening that he's concerned about an agricultural-based industry in the Province of Manitoba.

You know, we've heard a lot about politics here today, Mr. Speaker, that we're trying to be political on this side. I finally got a good understanding of what the Prime Minister meant when he talked about the Conservatives in this country singing from the same hymn book. I finally realized what that meant. It not only meant the federal members, Mr. Speaker, but it meant all of the provincial members also. You know, we believe in co-operation with the Federal Government. We have taken a consistent position with regard to that, but they're suggesting that we should just bow down to anything that comes from the Federal Government.

Let's talk about co-operation. What would happen when those members opposite would be sitting on the front benches here and a Federal Minister would come after being asked since October of 1984 to look at the concerns of the sugar beet industry? One week, he comes and says, here's the position, take it or leave it. One week after being asked - since October, 1984. What position would those members opposite take if they were on the front benches, if the Federal Government did that to them? Is that what they talk about as co-operation between a Federal and Provincial Government? Who's playing politics, Mr. Speaker, with this? Who is playing politics? We're not playing politics, we're trying to do what is fair and reasonable for the people of the Province of Manitoba. All we're asking for is fairness for the Province of Manitoba, for the farmers and for the people that are going to be affected by this.

What's happening, Mr. Speaker, as the Minister of Finance indicated, Manitoba is starting to get the wrong end of the big federal stick. This is a start of a bigger problem in terms of the Federal Government offloading on the Province of Manitoba. I'm still trying to be kind, Mr. Speaker, and to suggest that it's not happening and to give every benefit of the doubt to the Federal Government in terms of trying to co-operate with them and to ensure that we do things that are in co-operation and in the best interests of Manitobans.

But this surely isn't part of the new deal that was supposed to be struck for Western Canada as a result of that Federal Government. We've got the offloading, in terms of the sugar beet farmers. The Minister of Finance talked about other areas. We've seen it with respect through the National Research Council Institute of Manufacturing Technology here where they're saying the only way they'll go ahead with it is if the Province of Manitoba cost-shares the operating costs of that building. We've seen it with respect to employment creation in the Province of Manitoba where the Federal Minister of Employment has cut down in the number of dollars and jobs that are available for young Manitobans.

We're seeing it now with respect to industrial development grants in the Province of Manitoba where the Federal Government has turned down assistance to Canada Packers, has turned down assistance to Viscount, has turned down assistance to Melrose Coffee, has turned down assistance to Canada Malting, all since the election of the last government. And there

are other things on the horizon, Mr. Speaker, that I hope will not come true, but I think we have to be concerned about that. As Manitobans, we have to be concerned because we want to be dealt with in fairness by the Federal Government.

What we're seeing now is a shift of responsibility. Even today, Mr. Speaker, out of Ottawa, we heard some ludicrous suggestion that the provinces out to be responsible for brothels in the provinces. How ludicrous, the kind of ideas that are coming out of Ottawa.

It has been indicated that we are prepared to co-operate with the Federal Government. The telex that has been submitted by my First Minister to the Federal Government clearly indicates the position of the Province of Manitoba. It says, "I wish to inform you the conditions of my government's assistance to the sugar beet industry of Manitoba . . ." Here's the commitment by the First Minister saying we are prepared to commit to the sugar beet industry in the province, but asking for some legitimate, long-term considerations with respect to this industry and I think that is a responsible position for a Provincial Government to take. It's a co-operative position to take, something that's been talked about from our side, from the provincial side, since October of 1984; and yet, when did we hear a response from the Federal Government? Seven days ago, and say, here, take it or leave it. That's co-operation? Is that what you talk about, co-operation? I wish these members opposite would put down those hymn books that they've been given by their federal colleagues and do what is in the best interests of Manitobans.

Manitobans want fair treatment; they want reasonable treatment. Farmers and the workers in this plant want fair treatment from the Federal Government and we are not going to accept anything less than that on behalf of Manitoba farmers and Manitoba workers, Mr. Speaker.

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

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

I agree with everybody that has spoken in this House that seems to agree that this situation is one that is very desperate and one that has to be dealt with immediately. I'm glad that we're able to debate it at this particular time.

Mr. Speaker, I'll try and remove some of the political overtones that I hear coming from the other side and continue in the vein of the presentations that have been made by my colleagues. The government is desperate; the farmers of Manitoba are desperate and I dare say the opposition, in wanting to see this situation resolved, we're a little desperate too. We want to see a resolution to this problem very quickly.

When we watch the unfolding drama, one realizes specifically that this government is backed into a corner and is trying to salvage some honour. I submit, Mr. Speaker, that the government will be making some type of payment in support of the growers of this province.

Mr. Speaker, I have one criticism of the Minister of Agriculture. I feel that he hasn't shown the necessary leadership. Now the Minister of Industry, Trade and Technology has indicated the Provincial Government has been trying to deal with the issue for three or four

months in a co-operative nature with the Federal Government in Ottawa. I accept that, but, Sir, it's to the point now where it's incumbent upon that Minister of Agriculture to call the Minister of the Wheat Board, federally, who's dealing on behalf of the Federal Government on this matter, to call him to Winnipeg today and sit for 12, 24, 48 hours, around the clock, around two evenings, three evenings, however long it takes to reach a negotiated settlement.

Sir, it happens in all other areas of labour negotiation, when something as critical as farmers wanting to go to the field to seed today and tomorrow, we shouldn't expect anything less from our Minister provincially, indeed from our Minister federally. Our sources tell us that the Minister federally is prepared to meet at a phone call and try to work out a quick and speedy conclusion the problem that we have here at this moment.

Mr. Speaker, I personally take this issue very seriously and I know everybody does, but I take it particularly seriously because of Alberta's action in this regard. I followed closely the situation when that province offered to the crushing capacity, within the confines of their borders, a \$40 a ton subsidy and I realize today that the Alberta Government - at least to my belief - wouldn't be too concerned if they saw a shift of the total sugar beet industry to that province. So it's with that type of background that I take the issue extremely seriously and I say this government has no alternative, absolutely none, but to help support a \$90 million industry.

Mr. Speaker, what disturbs me though is the confrontation, and my colleague, the Member for Sturgeon Creek, indicated when he quoted the last paragraph of this draft telex, and I believe it shows up, yes, in the communiqué that was finally sent to the Prime Minister. When you see wording laid before the Prime Minister of Canada, an ultimatum worded in that fashion, you realize, Mr. Speaker, that the members opposite are trying to develop another issue with which to confront the Federal Government. There's no other conclusion from which one can draw when one reads that particular last sentence.

Sir, I've read the April 18th telex that came from the Federal Government offering \$8 million and I think it takes into account a number of factors, a number of realistic factors, and I don't have time to go into the depth of Stabilization Funds as the Member for Lac du Bonnet has, which I think was a very honest contribution and a sort of a historical review of where we find stabilization in this country, but I do say it was an honest and earnest commitment. Mr. Speaker, that's why when the Minister of Agriculture challenges us to commit ourselves to a sugar policy, I say, well, let's look at what you mean by a sugar policy. Are you talking specifically about closing the borders, to imposing an excise tax across the board or an import duty across the board? Because the reality of world trade is such, Mr. Speaker, and if the members opposite understand it, there are Third World emerging countries today that are trying to develop hard currency by whatever means they can.

We're finding it in the mineral markets and the members know that; we're finding it within the wheat market, when Australia is selling wheat at \$2.50 a bushel and we're also finding it within the area of sugar. So, Mr. Speaker, when the members talk about a sugar

policy, we can't divorce ourselves from the whole reality of the world trade in all commodities and what other nations of the world are attempting to do to increase their standards of living, indeed, to pay their debts to Western Canadian banks.

So, Mr. Speaker, when the members talk about a sugar policy, I think I can say yes, but let's look definitively as to what is meant by the policy. Mr. Speaker, the Stabilization Fund, we know today that the federal fund is down to zero and part of it is because, as the Member for Lac du Bonnet has said, that there have been large payouts. I know that the bean growers across this nation, almost all of them situated in Ontario, received a \$200 a ton payout just a year ago.

Sir, when those types of payouts are made, you can understand why those funds are going to be drawn down very quickly. But, Sir, circumstances have changed and although I'll set aside some of my biases with respect to subsidies in the form of stabilization, I recognize that the Federal Government has the responsibility for stabilization.

Now, Mr. Speaker, when I see that the farmers of this province are prepared to make a one-year commitment of no return beyond costs, I plead on their behalf to this Provincial Government to step into the breach for a period of one year and then let's hammer out the policy recognizing that stabilization up to this point in time has been a federal responsibility.

But, Sir, as I said earlier on, there is a new element to the game and that is that Alberta is involved and if that province has more funds to direct toward stabilization than the nation of Canada, then let's realize that if we're not prepared as a province in this one area to stand up and protect that \$90 million industry, there is a province that's prepared to stand up in support of our share. That's the bottom line, Mr. Speaker, and that's why this issue is so critical and that's why I believe this government has absolutely no alternative. The government, indeed the province, is over a barrel on this issue and they have to make on behalf of us all a commitment to the sugar industry within this province. They have no alternative.

I predict, Sir, that regardless of all the political posturing that we've heard come forward in debate today and all the confrontational phrases and sentences and telexes that have been presented by this government, that they're just trying to salvage something in a political form because they have no alternative and, indeed, the support has to come forward. No government in their right mind can allow a \$90 million industry to fall by the wayside.

So, Mr. Speaker, can you tell me how much time I have left?

**MR. SPEAKER:** The honourable member's time has expired.

The Honourable Minister of Labour.

**HON. A. MACKLING:** Mr. Speaker, I'm saddened by the turn of events in this House this afternoon because I believe it — (Interjection) — was possible . . .

**MR. SPEAKER:** Order please.

**HON. A. MACKLING:** . . . Mr. Speaker, for the Official Opposition to recognize when our House Leader rose

and indicated our willingness to accept the subject matter sought to be debated on an emergency basis that we were willingly interested in discussing and talking about that issue because we agreed it is an issue that is important to our people, to our workers, and to our farmers. That should have been, Mr. Speaker, a signal to member opposite that we believe this is an important issue, not only for the farmers and the workers, but all Manitobans.

I was hopeful, Mr. Speaker, that we would sense that members opposite would recognize and sense that concern that here was an opportunity when both sides of the House could agree that the rights of Manitobans were to be protected and we would speak with but one voice on this question and I waited, I listened hopefully. I heard the Member for Sturgeon Creek saying let's not play politics with this issue and then he proceeded to do that. I heard the Member for Morris say that he will try to slow down the political overtones and then he proceeded to do just the reverse.

He talked about our needing to compete with Alberta - and I'll touch on Alberta again in a moment - but the worst of all, Mr. Speaker, was the fact that the opposition thought that they were going to embarrass this government with this emergency resolution. We wanted to debate this issue. We wanted the support of the official opposition and we still seek that today. We still seek that now, Mr. Speaker, because we have some faith that members opposite will recognize . . .

**MR. SPEAKER:** Order please.

**HON. A. MACKLING:** . . . that Manitobans should stand together to protect our interests on this matter. But the Member for Lakeside, and I trust that he will listen, revealed the raw, harsh political thinking of members opposite. They felt that we as a government wouldn't have sympathy for these beet growers because they were in constituencies of the opposition and the plant was in a constituency of a member of the opposition. That raw, ugly political attitude I reject categorically, Mr. Speaker. As Minister of Labour and Minister of Agriculture and members of this government caucus, we stand for the rights of all Manitobans and will fight for those rights of Manitobans wherever they are in Manitoba.

Mr. Speaker, what we have been seeking, in not five days or six days in confrontation with the Federal Government, but as the Minister of Agriculture pointed out, by timely interventions with the Federal Government, over six months asking the Federal Government to deal with this pressing issue. Now that's not unreasonable, Mr. Speaker. It is a timely issue, but my goodness the Federal Government has allowed the matter to drift and we wonder why, Mr. Speaker. Surely, they could recognize that this was an important issue to Western Canadians, not only Manitobans but Albertans as well, but it appears, Mr. Speaker, that they may be, hopefully they are not, looking at some real decontrol of the economic powers that a Federal Government should have in respect to a nation.

We have seen what they have done in respect to energy. That's a massive shift of power away from the National Government to a Provincial Government. It could well be, Mr. Speaker, that they think that since

provinces have control of resources, then they have to pick up the responsibility for areas like agriculture and that's an indicator that we should all be concerned about, Mr. Speaker, because agriculture is a part of the economic fabric of Canada which isn't exclusive to provincial rights.

We as a nation must protect our agricultural fabric, and that's why we must implore the Federal Government today, not to endeavour to just put off a decision, but make a commitment, say to us that they are prepared, they will have a national policy for sugar in this country but, Mr. Speaker, we haven't had that kind of commitment. Members have heard the words, they will consider the advisability of. Members know that we use that in resolutions in this House and it doesn't have any strength. It doesn't have any commitment to it.

We're asking the Federal Government to make a commitment in words only that then we can say to the beet growers of this province, we have had assurance from the Federal Government that there will be a policy. So don't just be concerned about your present crop. There is some future for sugar in this province, but we haven't got that commitment from the Federal Government. That's all we seek, Mr. Speaker, is a commitment.

Honourable members over there have talked about time, how important it is that the seed should be going in the ground. Yes, it should be going in the ground, but we planted the seed, the concern about this issue and surely it has time to be nourished by the federal bureaucrats in Ottawa. Surely, we should have had some rationale for a national policy coming out. But what we are seeing is a government that has newly attained a vast resource of wealth, a vast shift of wealth making a deal with the Federal Government.

The Honourable Member for Morris may be right, that maybe that province is going to be assured the control of the sugar beet industry in this country. I say, Mr. Speaker, is that the kind of nationhood building that we're going to have from Ottawa? We need co-operation from Ottawa. We're prepared to co-operate and that resolution is an invitation to the Federal Government to commit themselves to continuance of a sugar industry in Manitoba. That's what the telex seeks, and I think honourable members should join with us in asking those federal members of Parliament, those federal Cabinet Ministers that belong to the Conservative Party, to get an assurance from their government that they will make a commitment to the continuity of the industry in Manitoba, and that the beet growers and the workers - we prize the jobs, we prize the crops in the country, we want that diversity, we want that strength but, Mr. Speaker, we shouldn't be competing with a sister province like Alberta with the massive dollars that they have to compete for industry.

We should have in this country a government in power in Ottawa that recognizes that people across this country should be treated fairly and reasonably, and not on the basis of the political party that's in power.

I'm sure if the honourable members were opposite here today, they would be fighting just as hard as we are for a firm commitment from the Federal Government, for an assurance of continuance of this industry. It is a vital industry to Manitobans, and we, Mr. Speaker, are merely seeking that, a firm commitment

from the Federal Government, a firm understanding that this is not a short-lived support of this industry, but that will be durable and continued.

I beseech members opposite to set aside their ideological partisan attitude in respect to how we might be jockeying here in respect to this issue. We, as Manitobans, should be fighting for the industry together and asking Ottawa to make that kind of commitment to us.

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

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

Mr. Speaker, this debate this afternoon has all of the classic earmarkings of a debate which sees a government of inaction dragged kicking and screaming to assist an industry in the province. They're going to do it and I don't know what they're fighting about, because this province, this government, this group of New Democrats, didn't have on their master plan 18 months ago assistance to the sugar industry of Manitoba. This doesn't fit into the nice polished image timetable of election oriented announcements to provide \$3 million worth of assistance one year to keep the sugar industry in Manitoba. This doesn't fit in with the master timetable and that's the problem.

Mr. Speaker, this New Democratic Government will provide the support to the sugar industry in Manitoba before planting commences at the end of this week, because there is simply just too much at stake.

My colleagues have mentioned time and time again the value of this industry to the Province of Manitoba and it's not simply 450 farmers who derive a portion of their income from the growing of sugar beets in the Province of Manitoba, it's much more than that, Sir. Every political party that has ran for election in the Province of Manitoba for as long as I can remember has said that we should have one goal and one goal particularly for the agricultural community, and that is to stop being hewers of wood and drawers of water.

We should take agricultural products grown in this province, produce them and process them into finished products in the Province of Manitoba for the very important economic value of value-added production and for the employment that that industry will create in the Province of Manitoba.

The sugar industry is one of the few ones that we have in the agricultural community that does just that. That's why this industry is of more importance to the Province of Manitoba than simply a livelihood to 450 producers of sugar beets in the rural community. This means 100 permanent jobs in Winnipeg; plus 150 part-time jobs in the production season; this means 50 jobs for part of the year in the trucking industry, and all of the spinoffs that are involved in this industry.

Sir, this industry is the classic industry that governments have strived for in the Province of Manitoba to further process agricultural commodities grown in this province for the creation of jobs and for value-added production in this province. This is what Manitoba agriculture should strive for. What we have, Sir, is a problem; a problem caused in recent months or this industry could well leave the Province of Manitoba.

**A MEMBER:** Forever.

**MR. D. ORCHARD:** Now, Mr. Speaker, what we have here is a government that talks incessantly about co-operation with the Federal Government. What do their telegrams do? They drop ultimatums on the Prime Minister of this country. This government that talks about Federal Government co-operation stands up and tries to promote national unity, and the Minister of Agriculture is saying that we won't be whipsawed by Alberta into providing support to the sugar industry in Manitoba.

This group talks about co-operation and creation and fostering of harmony within the confederation of provinces talking about the whipsawing of the treasury in Alberta. That's hardly fostering co-operation and trust between provinces and the Federal Government.

Mr. Speaker, this issue involves a government that is going to have to come up with \$3.5 million, because the Province of Quebec will do it to save the sugar industry in Quebec; the Province of Alberta will come up, and have said for several weeks, if not months, that they provide \$10 per ton subsidy to maintain their sugar industry in the Province of Alberta; and what has this government been doing? They have been playing raw hard politics with it, that's what they've been doing. They've been saying that the Federal Government is responsible entirely, so they can't get away with that, that won't sell, Mr. Speaker. This is another one of their failed attempts to create an election issue with the Federal Government as the adversary, as the straw man to be fought against, and that is not the understanding of this issue in this Chamber or out in rural Manitoba. More importantly, Sir, this is not the understanding of the issue for those 100 workers in the Constituency of Fort Garry and other parts of the City of Winnipeg who work permanently at the sugar factory in Fort Garry. It's not the perception of those 150 part-time workers whose jobs will be gone if this government doesn't act. No.

So, Mr. Speaker, this group of New Democrats have to make up their mind. Is the sugar industry in Manitoba less important to preserve the jobs in the farm community, in the factory in Fort Garry? Is it less important than preserving the jobs in the Constituency of St. Boniface and Westeel-Rosco, where they give that company money through the Jobs Fund to maintain jobs in the Member for St. Boniface's constituency at Westeel-Rosco? Is it any less important? Because, Mr. Speaker, as I said at the introduction of my remarks, that this is the ideal industry for agriculture in that it processes and ends up with a final finished product for the shelf, for the consumer.

There are only a few others that do it, and one is making potato chips at Carberry. There are very few industries in this province that make a table-ready product, and these people are about to jeopardize one of them in the City of Winnipeg, because they want to turn it into a political issue where they are going to attempt to bash the Federal Government.

Well, we want no part of that, Sir. We want this government to act as responsibly for the sugar industry and workers and the farm community, who support that sugar industry, as they do for the Westeel-Rosco workers, as they were prepared to do for Pratt and Whitney with the \$40 million they were going to put on the table to create jobs in Winnipeg in a Pratt and Whitney factory, as they are currently doing with

McKenzie Seeds, with Flyer Industries, with Manfor, all jobs in NDP ridings. This happens to be in Conservative ridings and this government deserves to support that industry and support those jobs in Manitoba.

Mr. Speaker, not only that, but if my honourable friends would read the resolution passed at the recent Chamber of Commerce meeting in Portage, they would see that the Manitoba sugar beet industry produces a sugar beet that has the highest sugar content of all three provinces currently producing them. This is the efficient place to have a sugar beet industry in Manitoba - 11.4 percent sugar from our production versus 10 percent in Quebec and 9.2 percent in Alberta.

Sir, this industry deserves to be here. This industry doesn't deserve to become a political football for the New Democratic Party to try to hang their election fortunes on. This is above their kind of partisan politics, where they want to bash the Federal Government at every opportunity. This industry means jobs for real Manitobans in Fort Garry and the City of Winnipeg. This means jobs in rural Manitoba for the people that not only plant and grow the sugar beets, but the Natives who are hired to thin them and weed them. This industry is too important for the kind of small politics that the New Democratic Party is trying to harness in it at this particular time.

Mr. Speaker, as I said earlier on, this government will provide the assistance to keep the sugar industry alive in Manitoba, because if they don't it will be gone, and it will be in Alberta, and it will be in Quebec, and where does that leave this government? Hardly in favour of the voting public, and they have to support this industry, not only because it deserves support, Sir, but politically they cannot afford not to. What bothers me, Sir, is why they are dragging their feet, why they are holding back, why they are being so obstinate and trying to develop a federal bashing issue?

Sir, they will be dragged kicking and screaming to provide support to the sugar beet industry in Manitoba, to maintain a value-added processing industry in the Province of Manitoba. They will do it. It will be announced shortly because, Sir, they cannot afford to see an industry closed down.

So, Sir, I simply ask the Minister of Agriculture and the Premier to stop playing federal bashing politics, get on with your responsibility to the people of Manitoba, agree to the support and you will have an industry preserved in Manitoba.

Thank you.

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

**MR. A. ADAM:** I appreciate the opportunity of saying a few comments on this very important topic. I have listened to the members opposite and I think we all

agree, Mr. Speaker, that there is a serious situation that is facing the beet producers of this province and it is not a new issue. We have known for quite some time that there was a problem, and we have attempted to discuss this problem with the Federal Government and other provincial governments as well and it's not as if this has just developed this afternoon, Mr. Speaker. It's been there, and it's been traditionally a federal responsibility.

I find it passing strange that the government in the last week, when producers are ready to back their tractors onto their seed drills to put the seed in the ground, that the Federal Government comes up with a ultimatum, Mr. Speaker. We are prepared, we have made a commitment, we want a commitment today. We have notified the government that we want a commitment today, and we will provide assistance, Mr. Speaker.

The last two speakers let the cat out of the bag. The Member for Pembina, I don't know if he's taken his hand out of the cookie jar yet, but the last member who spoke and the Member for Morris, they said that the province cannot afford not to provide assistance. Mr. Speaker, that is very very clear. It is very clear. Is this what the Federal Government is doing? Is that why they have given us an ultimatum? They say that it's such an important industry for Manitoba that we shall give them an ultimatum and they will have to accept it. That is what the message is that's coming loud and clear across from the Member for Pembina and the Member for Morris, the last two speakers that spoke, Mr. Speaker. That is clear. They are accusing us, they are accusing this government of playing politics? Mr. Speaker, they are the ones who are playing politics.

This is an issue that we should be both together on and making a solid representation, a united representation to Ottawa asking for a long-term solution. A long-term solution, that's all we ask. We don't ask for what kind of solution. We're not asking for what kind of solution; we are asking only that there will be, in the future, a long-term solution, and that the provinces will not be balkanized.

Mr. Speaker, they are asking for an ad hoc assistance this year and they are suggesting that we should go along with the Province of Alberta to balkanize this country, and to have the provincial treasuries competing with themselves, and I say that that's not the proper way in which to proceed.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Order please. In accordance with our Rule 21(4), the debate is concluded.

The time of adjournment having arrived, this House is accordingly adjourned and will stand adjourned until 2:00 p.m. tomorrow (Thursday).