



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

DEBATES
and
PROCEEDINGS
(HANSARD)

36 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Third Legislature

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
ASHTON, Steve	Thompson	NDP
BAKER, Clarence	Lac du Bonnet	NDP
BIRT, Charles T.	Fort Garry	PC
BLAKE, David R. (Dave)	Minnedosa	PC
BROWN, Arnold	Rhineland	PC
BUCKLASCHUK, Hon. John M.	Gimli	NDP
CARSTAIRS, Sharon	River Heights	LIBERAL
CONNERY, Edward J.	Portage la Prairie	PC
COWAN, Hon. Jay	Churchill	NDP
CUMMINGS, J. Glen	Ste. Rose	PC
DERKACH, Len	Roblin-Russell	PC
DESJARDINS, Hon. Laurent L.	St. Boniface	NDP
DOER, Hon. Gary	Concordia	NDP
DOLIN, Marty	Kildonan	NDP
DOWNEY, James E.	Arthur	PC
DRIEDGER, Albert	Emerson	PC
DUCHARME, Gerry	Riel	PC
ENNS, Harry J.	Lakeside	PC
ERNST, Jim	Charleswood	PC
EVANS, Hon. Leonard S.	Brandon East	NDP
FILMON, Gary	Tuxedo	PC
FINDLAY, Glen M.	Virdeu	PC
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Hon. Harry M.	The Pas	NDP
HARAPIAK, Hon. Leonard E.	Swan River	NDP
HARPER, Hon. Elijah	Rupertsland	NDP
HEMPHILL, Hon. Maureen	Logan	NDP
JOHNSTON, J. Frank	Sturgeon Creek	PC
KOSTYRA, Hon. Eugene	Seven Oaks	NDP
KOVNATS, Abe	Niakwa	PC
LECUYER, Hon. Gérard	Radisson	NDP
MACKLING, Q.C., Hon. Al	St. James	NDP
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton	Morris	PC
McCRAE, James C.	Brandon West	PC
MERCIER, Q.C., G.M.J. (Gerry)	St. Norbert	PC
MITCHELSON, Bonnie	River East	PC
NORDMAN, Rurik (Ric)	Assiniboia	PC
OLESON, Charlotte L.	Gladstone	PC
ORCHARD, Donald W.	Pembina	PC
PANKRATZ, Helmut	La Verendrye	PC
PARASIUK, Hon. Wilson	Transcona	NDP
PAWLEY, Q.C., Hon. Howard R.	Selkirk	NDP
PENNER, Q.C., Hon. Roland	Fort Rouge	NDP
PHILLIPS, Hon. Myrna A.	Wolseley	NDP
PLOHMAN, Hon. John	Dauphin	NDP
ROCAN, C. Denis	Turtle Mountain	PC
ROCH, Gilles (Gil)	Springfield	PC
SANTOS, Conrad	Burrows	NDP
SCHROEDER, Q.C., Hon. Victor	Rossmere	NDP
SCOTT, Don	Inkster	NDP
SMITH, Harvey	Ellice	NDP
SMITH, Hon. Muriel	Osborne	NDP
STORIE, Hon. Jerry T.	Flin Flou	NDP
URUSKI, Hon. Bill	Interlake	NDP
WALDING, D. James	St. Vital	NDP
WASYLYCIA-LEIS, Hon. Judy	St. Johns	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 5 May, 1987.

Time — 1:30 p.m.

OPENING PRAYER by Madam Speaker.

MADAM SPEAKER, Hon. M. Phillips: Presenting Petitions . . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, I'd like to present two reports, one from Economic Development; and then, later on, the Committee of Supply.

Your Standing Committee on Economic Development presents the following as their First Report.

Your Committee met on Tuesday, April 21, 1987, at 10:00 a.m., to consider the Annual Reports of Manitoba Mineral Resources Ltd., and Manitoba Oil and Gas Corporation.

Messrs. P.R. Brockington, Chairperson of the Board, and C. Malcolm Wright, President, provided such information as was requested in respect to the Annual Report and the business of Manitoba Mineral Resources Ltd.

Messrs. Robert Silver, Chairman of the Board, and John R. Sadler, President, provided such information as was requested in respect to the Annual Report and the business of the Manitoba Oil and Gas Corporation.

Your Committee considered the Annual Reports of Manitoba Mineral Resources Ltd. and Manitoba Oil and Gas Corporation for the fiscal year ended December 31, 1986, and adopted the same as presented.

I move, seconded by the Honourable Member for Inkster, that the Report of the Committee be received.

MOTION presented and carried.

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Madam Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the Honourable Member for Inkster, that the Report of the Committee of Supply be received.

MOTION presented and carried.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, I'd like to table the Report, the Summary of Findings and

Recommendations of the Internal Review of the Infant Death of Daniel Felix.

MADAM SPEAKER: Notices of Motion . . . Introduction of Bills . . .

INTRODUCTION OF GUESTS

MADAM SPEAKER: Before moving to Oral Questions, may I direct the attention of honourable members to the gallery, where we have 25 students from Grades 10 to 12 from the Baldur High School, under the direction of Mrs. Ann Hanks. These students are from the Province of Quebec, and the school is located in the constituency of the Honourable Member for Turtle Mountain.

We also have 75 to 100 students from R.B. Russell Vocational School, under the direction of Mr. Brian MacKinnon. The school is located in the constituency of the Honourable Minister of Culture, Heritage and Recreation.

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

ORAL QUESTIONS

Increases in taxes - payroll and sales

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Thank you very much, Madam Speaker. I direct my question to the Minister of Finance.

Yesterday my leader received a copy of a letter sent to the Department of Finance, with a copy to the Minister of Finance from Christianson McMaster, Adjusters. In this letter, the principals of that company register their intention not to pay the 50 percent increase in payroll tax effective April 1, because it is not law. Yesterday, Madam Speaker, the sales tax in this province was also increased by 1.27 percent.

My question to the Minister, Madam Speaker: Is there a law in place today requiring firms to pay 50 percent increase in payroll tax, and an increase in consumers to pay a 1 percent increase in sales tax, from 6 percent to 7 percent?

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker.

The laws that are in place are those that have been in place for many years, dealing with taxation in the Province of Manitoba. The member knows full well the practice with respect to tax increases is that they are contained in the Budget, with the ensuing legislation to follow at the appropriate time in the Session. So the practice that we are following in this Session is the same that has been followed with respect to previous

Budgets, previous legislation, and previous governments.

Increase in taxes - refusal to pay

MR. C. MANNES: Madam Speaker, I take it from that answer that there isn't a law in place.

My question to the Minister is: Can consumers, who have paid either the additional 1 percent, or the new 7 percent - particularly on the energy-related devices - can they refuse to pay those increased levels of taxations without threat from the Provincial Government?

HON. E. KOSTYRA: I would think that Manitobans have better sense than the member opposite when he raises the kind of issue that he does today. I think people of our province respect and obey the laws of our province, recognize that taxes are needed for services, such as, health and education, and they will continue to uphold the laws and deal with those things in the way that Manitobans traditionally have and not as the member opposite is suggesting.

Increases in taxes - law regarding

MR. C. MANNES: Madam Speaker, the Minister of Finance said uphold the laws. My question: Is there a law in place requesting or requiring consumers of goods to pay additional sales tax as of yesterday?

HON. E. KOSTYRA: Madam Speaker, the Manitoba Legislature has adopted the Budget of the Province of Manitoba, the Budget was brought down in this Chamber and approved by this Chamber. That is what provides for the process for the payment of taxes. The ensuing legislation will be passed in the same manner as it has been, traditionally in this House, and in other Houses of Legislature throughout Manitoba and Canada.

MR. C. MANNES: Madam Speaker, I'll ask the Attorney-General the same question. Is there a law in place today requiring consumers in the province to pay additional sales tax?

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: In my view there is, and I give exactly the same answer that the Minister of Finance gives, and that is, when the duly elected representatives of the people of Manitoba in the Legislature met and passed the Budget, they gave the legal authority for the imposition of those taxes. There's no doubt about that in my mind, that a combination of the legal authority and convention provides that legal authority. I'm sure that if the members are that anguished about the situation, they can consult with our House Leader and we could pass those bills this afternoon or perhaps tomorrow afternoon, but you don't have to.

MADAM SPEAKER: Order please.
The Honourable Member for Morris.

MR. C. MANNES: Madam Speaker, there seems to be two different answers. The Minister of Finance said we passed the Budget and, therefore, it was in effect

Increases in taxes - recourse re those who do not charge or pay

MADAM SPEAKER: Does the honourable member have a question?

MR. C. MANNES: My question to the Minister of Finance.

What recourse will be taken against those firms that do not charge the sales tax and/or those consumers who choose not to pay the sales tax until it becomes law in this province - the additional sales tax I'm talking about?

HON. E. KOSTYRA: Madam Speaker, I'm quite surprised and somewhat alarmed at the Member for Morris and what he brings forward in this House this afternoon. It's totally irresponsible for the member to suggest that people ought not to obey the laws and to provide for the services in this province in the way that has been traditional and that Manitobans have accepted, and that it has been accepted and followed in other provinces.

If he is suggesting that people ought not to pay their taxes then I think that he is doing a disservice, not only to the people of the Province of Manitoba, but doing damage to the process of this Legislature and other Legislatures and the democratic process in this country, Madam Speaker.

The Statute Law Amendment (Taxation) Act (1987)

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: A new question, Madam Speaker, to the Minister of Finance.

Madam Speaker, I've been in this House for five years and I've heard from the Attorney-General about the rule of law over and over again. Madam Speaker, the Provincial Auditor has recommended to this government many times that they obey the laws associated with the Workers Compensation Board, that they are not above the laws of the province.

I ask the Minister of Finance whether he now will introduce the Statute Law Amendment Act Taxation 1987 so that we may debate all the tax measures that have come down within the Budget, particularly the 50 percent increase in payroll tax, the sales tax increase to 7 percent, the new land transfer tax, and on and on. Will he introduce that so it can be debated and possibly passed and, therefore, give effect to the measures that have been brought into place by the Department of Finance?

HON. E. KOSTYRA: The matters that the member has raised have been debated and have been passed by this Legislature in terms of the Budget that was brought down. I am prepared at any time to continue discussing and debating the measures that this government took in the Budget to ensure that there is funds available for the services that Manitobans want; I'm prepared to talk about the approach that we took in providing for those expenditures through fair and balanced

taxation; I'm prepared to talk about the progress that is taking place in this province as against what is taking place in other provinces with Conservative Governments; the kind of tax regimes that are put in place by the Federal Government, which do the opposite to what we did in the Province of Manitoba; that are regressive, in their nature, as against the progressive measures we took. I'd be glad to debate that at any and all opportunity, Madam Speaker.

MR. C. MANNES: Madam Speaker, the Minister of Finance wishes to baffle again, falling into the same track that the former Minister of Finance has - (Interjection)-

MADAM SPEAKER: Does the honourable member have . . . Order please. Order. Order Please.

May I remind all honourable members that question period is not a time for debate.

The Honourable Member for Morris with a question.

MR. C. MANNES: My question is to the Attorney-General.

Is the Minister of Finance correct when he says that the measures that have been brought forward and debated in the Budget are indeed law today and, if he is correct, then, is it the intention of the government to bring forward the Statute Law Amendment Act Taxation 1987?

MADAM SPEAKER: Would the honourable member please rephrase his question so as not to imply that information given by Ministers to this House, is not correct?

The Honourable Member for Morris.

MR. C. MANNES: Madam Speaker, I was not implying anything.

My question then, to the Attorney-General. What is the need then for bringing forward a taxation bill giving effect to the measures that the Minister of Finance suggests had been passed and are the law of the province by way of debate on the Budget?

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker.

The reasons for the bill are the same as they have been in every year that there has been any taxation measures brought down, in this Legislature, indeed other Legislatures across the country, in the Budget. The Budget is the indication of the spending and revenue intentions of the government and they are confirmed in the appropriate legislation at the appropriate time. That is a practice of long standing in this Legislature, it's a practice of long standing in other provincial Legislatures, and it's a longstanding practice and tradition in the Parliament of Canada.

The member is suggesting that we ought to be changing that practice and that's something that should be taken up in some other form, but that is a practice that has been followed in this Legislature, by this government; it was followed at the time when his party was in government, and indeed, other governments in

the past in this province, and one that is tradition in all Legislatures and all Parliaments in Canada.

Increased sales tax - border towns

MADAM SPEAKER: The Honourable Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Madam Speaker. My question is to the Minister of Finance.

The imposition of the increase in sales tax to 7 percent is having a devastating effect on merchants, especially in the border towns of Manitoba. On several occasions, Madam Speaker, as far back as a year ago, the Minister has been petitioned by merchants from the border towns to put an exemption on the sales tax to a limit of \$300, as is the case in Saskatchewan. Recently, the Minister received . . . - (Interjection)-

MADAM SPEAKER: Order Please.

Does the honourable member have a question?

MR. L. DERKACH: Yes, I do, Madam Speaker.

MADAM SPEAKER: May I remind the honourable member that questions are not to be speeches however short.

The honourable member with a question.

MR. L. DERKACH: My question has a preamble to it, Madam Speaker, which I think is important and I would like to complete my preamble if you don't mind.

MADAM SPEAKER: Order please.

Was the honourable member reflecting on the Chair?

MR. L. DERKACH: Madam Speaker, I in no way am reflecting upon the Chair. I'm merely asking for permission to continue with my question.

MADAM SPEAKER: The honourable member was recognized to ask a question.

MR. L. DERKACH: Thank you, Madam Speaker.

As recently as two weeks ago, Madam Speaker, the retail merchants came again to the Minister of Finance requesting exemption on their retail sales tax? Will the Minister now consider lifting some of the retail sales taxes on clothing, as is the case in Saskatchewan, so that some of the merchants in border towns can continue to survive in the businesses that they are conducting?

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker.

I have met on a number of occasions with representatives of the border communities along the Saskatchewan-Manitoba border and have consulted with MLA's representing those areas, and we will continue to discuss with them the impact of any differential in tax regimes in Manitoba and the Province of Saskatchewan. The information that I had provided to members opposite, and to members of those

communities, indicated that up until this point in time the differential has not caused any great degree of loss of sales in those communities. The recent changes in the Budget may increase the problems that could be associated with the differential taxation and we're certainly going to continue to monitor that, particularly to look as to what happens in the Saskatchewan Budget when that province may screw up the courage to bring down a Budget.

But I can tell the member opposite that we don't intend to follow the practice of the Province of Saskatchewan to deal with issues regarding expenditures and revenues by the slashing of social programs and other programs like is taking place in the Province of Saskatchewan.

MR. L. DERKACH: Madam Speaker, just a continuation of that question if I might. There are businesses in the border towns that may not survive until the Saskatchewan Budget comes down because businesses leaving the province to Saskatchewan, where there is no retail sales tax up to a limit of \$300.00.

My question is, will the Minister take special consideration of the situation that is existing in border towns at the present time and come up with some solution since he has had over a year to study this situation to date.

HON. E. KOSTYRA: The member talks that some of these businesses cannot survive until the Saskatchewan Budget. I know not of the date of the Saskatchewan Budget, maybe the member opposite knows and knows that it is going to be a lot farther down the road than even what the speculation is.

As I indicated, we will continue to monitor the situation, continue to liaise with the committee for border taxation, and review the situation once the Budget is brought down in Saskatchewan to see if there is any need to provide for any changes in the taxes as they relate to those communities and the areas of sales tax.

Feasibility study re aspenite plant

MR. L. DERKACH: I have a question to the Minister of Natural Resources.

Reports have come down to us, Madam Speaker, in recent weeks that the government is intending to set up an aspenite manufacturing plant in the Swan River area. Now the Roblin area is one which has been famous for the wood products industry that is prevalent there and has for some time wanted to create a by-product industry in that area. I'm wonder whether the Minister has done a feasibility study of the two areas, and whether he's prepared to table that feasibility study in the House.

MADAM SPEAKER: The Honourable Minister of Natural Resources.

HON. L. HARAPIAK: Madam Speaker, I think people have been generally aware of the rich potential of the Duck Mountain area, and I think the Member for Roblin-Russell demonstrates a bit of panic in responding to rumours.

He indicates in his question that the province is planning to build an aspenite plant in Swan River. Let me assure the member that the province does not have any plans in place, at least through Natural Resources, to build an aspenite plant in Swan River. What we do want to indicate very clearly, Madam Speaker, that there are individuals in the Province of Manitoba who have interest in an investment in that area to utilize the aspen, and we will work very cooperatively with them and, hopefully, realize the building of a plant. And I would be delighted if it was in Swan River.

MADAM SPEAKER: The Honourable Member for Roblin-Russell with a final supplementary.

MR. L. DERKACH: Thank you, Madam Speaker, it is a final supplementary to the Minister of Natural Resources.

Before the Minister will commit funds, through grant programs or whatever other programs, will he table a feasibility study indicating which area would be most suited for an aspenite plant in the province?

HON. L. HARAPIAK: Madam Speaker, I want to indicate, at the outset, that if there is support for programs of that sort, the funding would not come from the Ministry of Natural Resources.

But it seems to me, Madam Speaker, that the Member for Roblin-Russell is indicating some lack of confidence in what is an effort by some investors in the Province of Manitoba, to see a significant investment and utilization of an under-utilized resource in the Parkland Region, and the Member for Roblin-Russell seems to want to cast some cloud of uncertainty around it, and I am disappointed that he would do so.

Radiation Program funding - reason for removal from Cancer Foundation

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker. My question is to the Minister of the Environment.

Madam Speaker, the Minister of the Environment and Workplace Safety and Health recently removed funding for Cancer Treatment and Research Foundation's Radiation Program, applicable to the workplaces, while at the same time re-establishing it in his own department. And we are familiar, Madam Speaker, with the way this government likes to expropriate the tasks of independent organizations outside their control.

Would the Minister please explain why his department assumed the job of radiation protection when the Cancer Foundation was already providing the service at a very high level of competence, at a cheaper cost, and with fully trained staff?

MADAM SPEAKER: The Honourable Minister of the Environment.

HON. G. LECUYER: Well, before I can respond to that question, Madam Speaker, I have to indicate that some of the assumptions in that question, Madam Speaker, are absolutely and totally wrong.

First of all, it should be clearly understood that the service being provided by the department, Madam Speaker, covered both environment and workplace safety and health, and the environment radiation component continues to be, as before, with the Radiation Foundation.

The component which is going to be carried on by the department is on the Workplace Safety and Health side, Madam Speaker, at lower cost and, in some measure, due to the fact that we could not get some accountability for the monies we were paying. Undoubtedly, the expertise was there, but the major reason is that, although we are responsible for enforcing and we will conduct the necessary monitoring in that regard, the ongoing service of a workplace determining of whether they are complying or not is a service that they can buy from the Foundation, as is the responsibility of all workplaces, whether it be in regard to radiation monitoring; whether it be in regard to noise monitoring; or for that matter, for any other contaminant or cause of injury to health or to the body of the worker in the workplace.

Radiation Program funding - no decline in the quality and level of service

MRS. S. CARSTAIRS: A supplementary question to the same Minister, Madam Speaker.

Can the Minister assure this House that there will be no decline in the quality and level of service resulting from the government's takeover, in that when the Cancer Foundation had the two services, there was, in fact, a backup staff of five or six, and it appears there will be no backup staff in his own department?

HON. G. LECUYER: Madam Speaker, as I stated in my first reply, it is not the department's intention to continue providing a service which the employer has a responsibility of providing under the act. That, Madam Speaker, can be reflected as a cost-cutting measure, but the fact is the onus to provide that service is on the employer, and not on the division to provide. We will continue to carry out our responsibility in terms of ensuring compliance, and for that we will have staff in the department we assume will be able to carry out that function totally and effectively.

Protocol in regard to external agencies re Cancer Foundation

MRS. S. CARSTAIRS: Madam Speaker, with a final supplementary to the same Minister.

Can the Minister explain why the government dealt with the Cancer Foundation in such a unilateral manner, without any consultation with regard to this funding cut, and with no consultation with professionals in radiation in the field; and is this now to be the accepted protocol used in his department in dealing with external agencies?

HON. G. LECUYER: Madam Speaker, the unilateral dimension which the member refers to, in actual fact is a result of a number of correspondence with the Foundation over a period of over a year. In fact, the contract that we had with the Foundation, in actual

fact was a contract which had a clause stipulating that if we wanted to change our relationship we had to give forewarning a year in advance; which we did, Madam Speaker.

Compensation to schools - result of increased taxation

MADAM SPEAKER: The Honourable Member for Fort Garry.

MR. C. BIRT: Thank you, Madam Speaker. My question is to the Minister of Education.

In the early part of this year, the Minister announced the size of the grants to the universities and also to the school divisions. Then, approximately a month or two later, the Minister of Finance came along and imposed a series of new taxes which significantly reduced the size of the grant; namely, the increase in the sales tax, the increase in payroll tax, and the increase of the hydro charges, to name but a few.

The Minister then indicated that he was going to review to see if financial compensation would be made to the various universities and school divisions to make up this removal for tax payments. Has the Minister now made a decision to compensate the schools for the removal of the additional funding by way of taxes?

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Madam Speaker, we will have ample opportunity to discuss those and other matters in a few minutes, as we're going into Estimates for the Department of Education. I can indicate to the member that the simple answer is, yes, both of those situations have been reviewed and further action will be forthcoming.

MR. C. BIRT: Can the Minister advise when this will occur?

HON. J. STORIE: Madam Speaker, some action has already taken place and some will be forthcoming.

Compensation to schools - remittance to universities and school divisions

MR. C. BIRT: Will the Minister share with this House what action has taken place and will he advise if the full amount of the taxes removed from the operating grants will be remitted to the various universities, as well as the school division?

HON. J. STORIE: Madam Speaker, I can indicate to the member that discussions have taken place with the universities in terms of assessing the operational situation for each of the universities. There have been ongoing discussions about how the government is going to respond to their needs and I can indicate to the member that needs go much beyond the implications of the recent Budget. The member knows that over the past year there have also been increasing pressures because of federal taxation, federal sales tax increases.

Those pressures, cumulatively, Madam Speaker, mean that the universities are continually looking for increased resources. We will be responding to the universities.

In terms of the public schools, those adjustments have already taken place and the school divisions are aware of what those adjustments are.

Child Abuse - risk assessment, Daniel Felix

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Thank you, Madam Speaker.

Madam Speaker, on October 21 of 1985, I wrote to the Minister of Community Services with respect to what I suggested was a dismal situation facing abused children at that time.

The Minister today has tabled in the House, at my request, findings and recommendations into the infant death of Daniel Felix who died on February 27, 1986, in which one of the findings is that the situation clearly met the conditions for high risk and potential abuse and yet, in spite of the weight of evidence to the contrary, the child was returned, within less than three weeks of the apprehension, to the birth parents without consultation by the primary worker with other key professionals involved, including the worker's own supervisor.

The Minister had responded to me on October 30, 1985, saying our policy in no way implies that children are kept in families when there is danger of abuse which she now admits she was wrong when she wrote that letter.

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, the policy which is set by the Provincial Government and the department is the framework within which the agencies operate. The specific agencies have responsibility to ensure that their workers comply with those standards and, in this case, the finding of the report was that a particular worker at a particular agency did not comply with the standards of accepted procedure.

Child abuse - instances of re-abuse

MR. G. MERCIER: Madam Speaker, in November of 1985, I wrote to the Minister and asked her questions about the instances of re-abuse of children and whether or not there was a periodic review of homes to which abused children have been returned. She responded by indicating that regular visits to such homes are required by provincial standards, whether or not the court has ordered supervision. The findings of the report today indicate that in December 1985 there were critical shortcomings in policies and procedures dealing with high risk and abused cases, and that there was not sufficient attention given to providing sufficient priority to such high-risk family situation. She now admits that the information contained in her response to my letter of November 22, 1985, which did not come until June 16, 1986, after the provincial election in March, 1986, was wrong.

HON. M. SMITH: Well, Madam Speaker, I repeat that the government is responsible for the legislation and the general regulations and procedures within which the agencies are mandated. It then becomes their responsibility to carry out those procedures when dealing with individual cases.

Madam Speaker, the process by which the agencies are held accountable is dual. One is their elected boards who have a basic responsibility; the other is periodic review and evaluation by government, and I think we are in agreement in dealing with the whole child abuse area, indeed with the great escalation of cases being dealt with through the Child and Family Service system, that the total system does need strengthening and development. But Madam Speaker, one of the reasons that we're faced with a lot of these challenges is that we are, for the first time, dealing in substantial numbers with children whose problems used to go undealt with or unrecognized.

Child Abuse - Min. refusal to act

MR. G. MERCIER: Madam Speaker, the Dr. Sigurdson and Professor Reid report clearly pointed out that there are no government policies in effect that should be expected from a government in this particular area.

In view of the fact that the findings in this particular incident indicate that the agency clearly failed to take into account all significant factors, including the separate and combined histories of both birth parents; in view of the fact, Madam Speaker, that these specific items of concern were brought to her attention in the fall of 1985 in at least two letters to the Minister, why did she refuse to act in the fall of 1985 to do something about establishing proper standards and procedures, and instead wait through the election until this House had to have an emergency debate in June of 1986 to cause the review to be done? Why did she not act in the fall of 1985?

HON. M. SMITH: Madam Speaker, the member opposite is assuming that unless he raises the question in this House there is nothing going on. I would like to draw to his attention the fact that the group of abuse cases which we were dealing with had never, prior to that time, really been identified or dealt with. Madam Speaker, there was training and development going on. We do have, and I think discussion with the review team clarified this. We do have legislation, regulations, protocols and guidelines. What they asked for, and what a lot of the agencies were not terribly accepting of in the initial time frame, was much more detailed standards. The question was how much, in the decision making relating to an individual case, should be left to the professional judgment of the social worker in the field.

Now we have, in draft form, in consultation form with the agencies, those much more refined standards, much more detailed standards. But there have been in place, underneath the legislation, the much-strengthened legislation, I might add, regulations, protocols and guidelines covering the practice of work at the agency level.

Venture Manitoba Tours Limited - reduction plan of action

MADAM SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: My question is to the Minister of Natural Resources, and is based on the Provincial Auditor's Report on Venture Manitoba Tours Limited.

The report indicates \$1.3 million bank indebtedness, which is guaranteed by the province, as well as \$800,000 operating deficit. Can the Minister indicate what plan of action he is contemplating to reduce the operating loss by next year down to \$600,000.00?

MADAM SPEAKER: The Honourable Minister of Natural Resources.

HON. L. HARAPIAK: Thank you, Madam Speaker.

I would want to point to the Member for Emerson that, in fact, though the audited statements are not in for the year '86-87, we have already reduced it by \$200,000 from the previous year. The statement that was tabled yesterday was for the year '85-86 and there was an operating loss in that year. The new board that is in place has put in place a plan, and I think the results of the current year's operations, though unaudited, reflect that the operation is improving and there has been a reduction of \$200,000.00.

MR. A. DRIEDGER: To the same Minister.

Can the Minister indicate what plan of action he is proposing or planning to bring forward, to reduce the \$1.3 million indebtedness down to nothing within three to five years?

HON. L. HARAPIAK: Madam Speaker, the comments that I made yesterday indicated that our plan in a three-to-five-year period, was to reduce the annual operating deficit on an ongoing basis to a zero position, that we wanted to be at a break-even position at the end of that period.

Obviously then, we do have to address the question of the accumulated deficit, which is a separate issue. But I want to indicate my confidence, Madam Speaker, in the board of management that is in place. We have a different working relationship. There was a management contract for the period entered into on March 1, 1981, and that was in place until last year. The management contract with the private sector firm has been terminated, and the resort is being operated by the board of directors with management on-site.

Venture Manitoba Tours Limited - reduction of debt with gov't shares

MR. A. DRIEDGER: Madam Speaker, a final supplementary to the same Minister.

Is it the intention of this Minister and this government to reduce the debt by buying government shares in Venture Manitoba Tours Limited, like they did with McKenzie Seeds?

HON. L. HARAPIAK: Madam Speaker, I think it's important to point out the significance of the resort area and Hecla Island Park to all Manitobans, and particularly to that region.

There was a decision made in 1968 to develop the area with the park, a resort was added in 1977. It is

an investment on the part of the people of Manitoba in the resort facility, Madam Speaker.

We have confidence that resort facility serves the vacationers of Manitoba well; it serves the people of the Interlake area well. I would challenge the Member for Emerson, as to whether he is suggesting that it should not be there, given the interest that the people from Riverton and Arborg have. Yes, we plan to deal with the deficit and I am confident that the Board of Management, directed by the Chairman, Mr. Levine, with excellent expertise from the city, will see that facility turned around.

Hwy 240 - funds for maintenance

MADAM SPEAKER: The Honourable Member for Ste. Rose.

MR. G. CUMMINGS: Madam Speaker, my question is to the Minister of Highways.

This year and the year previous, in Estimates, the Minister stated that any maintenance work that was not being finished because of an insufficiency of funds in rural PH roads, they'd be prepared to personally intervene and see that the funds were made available. Highway 240 from St. Claude, to Portage is known as the worst road in Manitoba at this stage. Will he now personally intervene and make funds available to provide adequate maintenance on this highway?

MADAM SPEAKER: The Honourable Minister of Highways and Transportation.

HON. J. PLOHMAN: Yes, Madam Speaker, I have personally intervened to ensure that there is sufficient maintenance funds.

MR. G. CUMMINGS: Madam Speaker, unless this happened last night, I'd like to know when the Minister did this?

HON. J. PLOHMAN: Well, Madam Speaker, we reviewed the Estimates and I had noted that the Member for Ste. Rose, as the Highways critic, had cooperated well during the Estimates process and that we had covered a lot of material very quickly, and I had indicated he may have missed it because we did move so quickly. We had taken steps to ensure that there was additional maintenance on 240 last year, and that the maintenance standards have been established, that have been established for many years, have been maintained over the last number of years, and we'll continue to maintain those and deal with specific problem areas as they arise, with special treatment when it is required.

Adequate speed on PTH's - 50 km per hour

MR. G. CUMMINGS: Well, Madam Speaker, the Minister has demonstrated why it is dangerous to suggest that they will personally intervene. If this is his example of intervention, does he intend to tell this Legislature that 30 miles an hour on a adequately maintained PTH road on this province . . .

MADAM SPEAKER: Would the honourable member care to rephrase his question so it doesn't seek a personal opinion.

MR. G. CUMMINGS: Is he telling this Legislature, Madam Speaker, that 30 miles an hour is an adequate speed for a well-maintained road in this province?

HON. J. PLOHMAN: Well, Madam Speaker, it depends on the location, depending whether there's children crossing or whatever. We do have different speed limits, but generally it's in kilometres now, 50 km per hour.

Insofar as the highways, we have gone to 100 km per hour on the major PTH's and the PR's are at 90 km per hour, generally. And then there's zones in the villages and so on.

Sugar beet industry - tripartite agreement

MADAM SPEAKER: The Honourable Member for La Verendrye.

MR. H. PANKRATZ: Thank you, Madam Speaker. My question is to the Minister of Agriculture.

The Minister indicated yesterday that there would be a sugar agreement decision made by dinner time today. Would he advise this House whether he has signed a sugar beet agreement?

MADAM SPEAKER: The Honourable Member for Agriculture.

HON. B. URUSKI: Madam Speaker, I wish to thank my honourable friend for the question and also for the advice of last night that he provided to me. I want to indicate that we had engaged in discussions yesterday with the Hon. Charles Mayer in the morning, and we were to receive a response by this morning. Madam Speaker, we have not received a response from the Hon. Charles Mayer to this point in time and, hopefully, before the day is through we will have that response.

MADAM SPEAKER: The time for Oral Questions has expired.

INTRODUCTION OF GUESTS

MADAM SPEAKER: May I direct the attention of honourable members to the gallery, where we have 25 students from Grade 9 from the Murdoch MacKay Collegiate under the direction of Mr. Schroeder. The school is located in the constituency of the Honourable Minister of Energy and Mines.

On behalf of all the members, we welcome you to the Legislature this afternoon.

NON-POLITICAL STATEMENTS

MADAM SPEAKER: The Honourable Minister of Culture and Heritage Resources.

HON. J. WASYLICIA-LEIS: Yes, Madam Speaker, I'd like to ask for leave for a non-political statement, please.

MADAM SPEAKER: Does the Honourable Minister have leave? (Agreed)

The Honourable Minister of Culture and Heritage Resources.

HON. J. WASYLICIA-LEIS: Thank you, Madam Speaker.

You've already introduced to members in this Chamber students from the school of R.B. Russell High School who are in my constituency. I'm very proud of that fact, and I'd like to tell the members of the Chamber about an incredible achievement of these students in the publication of a publication entitled, "Awareness II: A Quest for World Peace," which is an anthology of poems, actually a book that has been written, produced and printed by these students under the direction of English teacher, Brian McKinnon.

It's 300 pages of about 1,100 poems that talk about war and peace and love and hate and tolerance and justice and all of the issues that we're concerned about. I commend this to all members of the House, Madam Speaker. If anyone's interested, it's available for only \$5.95 at a local bookstore.

My colleague, the Minister of Education, has already said that he's going to run out and purchase one. I'm sure that all members -(Interjection)- As I said, I commend the book to all members in this Chamber.

I'm sure that everyone in this House will join with me in congratulating the students and their teacher at the R.B. Russell High School, and wish them well in all future endeavours.

MADAM SPEAKER: The Honourable Member for Fort Garry.

MR. C. BIRT: I request leave to make a non-political statement.

MADAM SPEAKER: Not a commercial? Does the honourable member have leave? (Agreed)

The Honourable Member for Fort Garry.

MR. C. BIRT: Today, myself, the Member for River Heights and also the Member for Inkster participated in an organization put on by the students at the Pembina Crest School in Fort Garry. It dealt with the conflict resolution, peace and global interdependence.

The three of us participated in debates with the students, dealing with the conflict in society and also peace. They've had a very substantial day of dealing with the relationship of peoples in the world, conflict and peace. It would appear that the students are taking lead in this whole world of good feelings, of communications with one another, and trying to bring about something that perhaps we aren't too successful at.

So I would like to compliment the students and the staff for organizing this and wish them success in their endeavour.

Thank you.

ORDERS OF THE DAY HOUSE BUSINESS

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, on a matter of House Business, I believe there is an inclination on the part of all members to forego Private Members' Hour today, by leave.

I move, seconded by the Minister of Labour, Madam Speaker, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Burrows in the Chair for the Department of Natural Resources; and the Honourable Member for Lac du Bonnet in the Chair for the Department of Education.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - EDUCATION

MR. CHAIRMAN, C. Baker: Committee, come to order. We are on Education, Administration and Finance. Did you want to make some opening remarks, Mr. Minister?

HON. J. STORIE: Yes, thank you, Mr. Chairman. My remarks will be fairly brief. I have no formally prepared text, but there are a couple of comments that I think I should put on the record as a preface to our Estimates review this year.

As a first step, I would like to introduce Dr. Glenn Nicholls who is the Deputy Minister of Education. Dr. Nicholls was not with us during the last Estimates review and his addition to the staff has been - I'm sorry, he was not here as Deputy Minister; I should correct myself. Ron Duhamel was the Deputy Minister at the time we reviewed the Estimates last year. Glenn has added leadership to the department and has certainly provided me with support in many different areas and most particularly in the area of educational finance, as everyone will recognize.

Glenn is ably backed up by a very competent and dedicated staff in the department, and my association and experience over these past few months has been rewarding, and I think encouraging, both from an educational point of view and as a Manitoban, apparent, and a taxpayer. They are a dedicated and capable professional group of civil servants.

I suppose, having made those statements of comfort in some respects, one won't be surprised when I say that I feel the past year has had more than its share of accomplishments in what has been a difficult time, an exacting time, when we talk about the resources and the necessity of finding resources when those resources are limited and scarce in many respects.

It has meant that staff of the department have had to be innovative and, in turn, they have had to rely on the spirit of cooperation that exists in the field, both in the Manitoba Association of School Trustees and in the Manitoba Teachers' Society, to allow us to move forward and continue to develop and improve the quality of education in Manitoba.

I think there are many different fronts on which we could talk about the cooperative spirit and talk about

accomplishments that came about as a result of the willingness of people in the educational system to cooperate, to innovate, to try new things, to face change in reasonably good spirits.

As members around the table will know, in January of this year, we announced the increases to the public school system, which meant that another \$26.9 million would be offered to fund the educational system in the province.

While that is not a phenomenal sum - I think I have described it in the past as a modest sum - it does represent the commitment when resources are scarce and when one looks at what's happening to the educational systems of other provinces as provinces, individually and collectively, scramble to maintain some semblance of order in provincial spending priorities. The Government of Saskatchewan and the Government of Alberta are examples of provinces who have chosen to take another course, shall we say, to put it less politically.

In addition to the support, I think as a government over the past five or six years, I'm fairly proud to say that we have not been forced to rely unduly on property to support the educational system. Many people won't know this, but the fact of the matter is that since 1981, the overall reliance on property to support education has actually decreased. In 1981-82, approximately 46 percent of the funding to support educational endeavours came from property and that percentage decreased to 44.5 or 44.6 percent in 1986-87. So I think we can be relatively satisfied that the priority that we talk about is the priority that we practise.

In addition to the operating support that is provided to the public school system, some \$74 million was allocated in capital projects to the development of schools, the upgrading of schools, to major capital projects in the previous two years, and members will know that some weeks ago, I announced an \$81 million capital projects for the next three years, which again is a major commitment of dollars to upgrading the facilities in which our students and our teachers conduct the business of education.

Of course, like every other endeavour, dollars don't really tell the whole story, and as a result of my tour, or series of tours, throughout the province where I met students, teachers, parents, trustees, interested individuals, I came away with a fairly positive feeling about the educational system and the efforts, to date, on the part of all of those involved. The response was good.

There is, I think, an appreciation out there that Manitoba's educational system is a good system. It provides a sound education. There's an appreciation for the fact that changes are always a necessary part of a dynamic system, and I think people are prepared for change and perhaps anticipating change in some areas. That doesn't belie the fact that they believe the system has served them well and that the system is serving their students well. So I have to say that universally, unanimously, there was a feeling that this system was doing a good job although clearly not a perfect job.

The announcement of the High School Review, the establishment of the High School Review Committee and an announcement of the terms under which that committee would operate has also been a part of the

educational scene over the past year. The public hearings are under way and the response certainly to date has been more than satisfactory. It indicates a good level of interest and enthusiasm for the review, and I expect that members of the committee and members of the Legislature will be hearing more about that as we proceed.

I also had the privilege of attending the Small Schools Conference which was held in Brandon in early March. The results of that conference were also encouraging. Manitoba, whether we like it or not, has a considerable number of small schools and, perhaps surprisingly to some members, an increasing number of small schools. The response to the unique challenges that face small schools - the response from the department - has been more than satisfactory. It has been excellent.

If you talk to representatives of small schools in rural and other parts of Manitoba, you will find a great deal of satisfaction with the Small Schools Grants Program, the consultation, the cooperative spirit in which the department operates with small schools to enhance the level of education. Certainly, I think Manitoba can be justifiably proud of its recognition of the problems which face small schools and its endeavours to ensure that the quality of education that's offered in those schools is improved and enhanced wherever that is possible.

The Compensatory Grant Program also, in its fourth year, has been and is well received by those divisions who are participating. It funds a tremendous number of projects, some of which I think really are innovative and exciting projects, and I'm most happy to see support for the kinds of parent-child centres that exist in some 10 or 12 centres throughout Manitoba which have focused on the need for parental involvement in the educational process.

The public school system obviously is important to us in that we have some 200,000 public school students in the province currently enrolled in our schools. It deserves to be a major focus of the department's attention, but it isn't the only focus. The universities, I think, over the history of this government and certainly since 1981-82, have been treated with fairness and with some degree of understanding of the problems that they face. Members will know that we announced a 5.2 percent increase in funding support in the 1987-88 year. In addition to that, the Budget announced a \$20 million Manitoba Universities Development Fund.

The government is acting in a cooperative way to address the national forum on post-secondary education. I see this forum as an important milestone in developing what I hope will be a Canadian consensus about the importance of post-secondary education, the importance of establishing some intraprovincial and federal undertakings in terms of consistent funding and funding obligations.

In addition, the opportunity exists for Manitoba, in concert with the universities and community colleges and the students attending those institutions, to perhaps present a unique Manitoba position at this forum to stimulate discussion, provoke thought and perhaps lead to a national agenda on some of the major issues surrounding post-secondary education. Those are: funding, student aid, research, responsibility for research and research funding, the need for a national body to, I guess, assess, prioritize, some sense of the needs of the country in terms of provincial participation.

So there are many, many issues out there that, I think, could well stand a national review. This forum, I think, gives us that opportunity.

There are many other smaller but significant happenings on our campuses. Members will know there has been jointly established a Chair of Women's Studies at the University of Winnipeg and the University of Manitoba. In addition, there are innovative programs going on at both universities in many, many different areas, despite the limited growth in their financial resources.

Community colleges likewise have been busy places, and the funding increases to those institutions this year are moderate but healthy. The community colleges, I think, take a great deal of pride in the fact that they have been able to expand their extension services.

They are responding very well, I think, to the new reality that educational institutions face in terms of part-time learners, in terms of the flexibility that's required to respond to the differing needs of our students. It's simply no longer true that students - we have an image of students, of those young people from the ages of 6 to 18, or 6 to 22, and that certainly doesn't fit the students that I see attending our community colleges. They have responded in so many different ways to adjust to that reality. The extension services, the recent opening of the Winkler Regional Office of Red River Community College is only one example.

I'm not going to bother going through every division, but I think the post-secondary and adult Continuing Education Divisions also have experienced a rapid growth in delivery of adult and continuing education programs. I think Manitoba can take some pride, I certainly take some pride as Minister of Education in the fact that we offer as a province a more extensive array of professional and paraprofessional training opportunities for Northerners, for Native people, than any other province in the country. I think I can safely say that. There are literally hundreds of people currently being trained as nurses, social workers, teachers, and doctors in our institutions through programming delivered by PACE and ACE.

In addition to that, we have seen an expansion in the past year and over the past few years in the delivery of programming to particularly disadvantaged groups in our society, the English as a second language area, the settlement language training, and added emphasis on literacy programming. There are some 20 innovative projects going on right now across the province helping adults to adjust to the dilemma that they face being functionally illiterate, handicapped in many senses because of that shortcoming. So it's an interesting year, and it's been an interesting year.

I think the budget that's before you, the Estimates that are before you, give us enough leeway as a department to do many more interesting things, and I know I share the enthusiasm for doing those things with the staff of the department, and I hope with members of this committee as well.

MR. CHAIRMAN: Thank you, Mr. Minister.
The response, the Member for Fort Garry.

MR. C. BIRT: Thank you, Mr. Chairman.
I'd like to thank the Minister for his opening statements. I would also like to compliment the Minister

and his staff because I agree that, in some instances, it has been a year of progress. In particular, getting the High School Review finally out of the air or the ethereal world and into the practical, in other words, getting a committee struck and a paper being prepared and public input now being received. That is no mean feat, and I think the Minister and the staff are to be complimented for that speed in which they have brought it about, because I believe it had languished for a little bit.

In the past, we have expressed concerns about the structure and proceedings of it; those are still valid comments, as far as we're concerned, but as far as getting on with the job, I would agree that the department and the Minister has done an excellent job in bringing that issue to the public forum.

I'd also like to compliment the Minister and the staff dealing with the production of the document that I referred to in the House the other day, dealing with the parental role, the policy of parental role, especially as it relates to educational policy. There had been some political statements made two or three years ago that it was there, and it was coming, and it should be done, but to see something in concrete form so that people can see and become involved with it, is a very positive step; and again, I have some reservations on it, not so much as to the intent, but perhaps the methodology, and I've expressed those to the Minister.

So indeed, there has been some activity in the educational field, to just name those two areas, and the staff and the Minister, as I said, are to be complimented.

I would also like to welcome Dr. Nicholls to his new role. I know he occupied this position last year, but it wasn't till after the Estimates were through that he was elevated to the front line of the firing team and I look forward to working with you. Being an author of a book on finances in Manitoba, now having to defend the government's inability to come to grips with the - perhaps - good ideas you put forward, may put you in a bit of a dilemma, but however, I welcome you to your position.

We wish Mr. Duhamel good success in his new career at the university. He, again, is put in a bit of a conundrum where he was justifying the largess of government to the universities, but now is on the other end of it, seeing how perhaps thin the budget is out there; especially when he indicates he has to do his own typing and filing, he realizes that perhaps the government was not as generous with public funds as he might have thought he was, when he occupied the position of Deputy Minister.

There are several issues that I would like to deal with, and hopefully we will be raising during these Estimates. I guess probably the most pressing issue today, and the Minister touched on it in his opening statements as it related to the question of educational funding and the role which it played, as it relates to the funds being raised off the tax roll, or the land-based tax. His figures indicated that there had been a decline in the amount of money taken off the land tax for education.

We agree that it is probably one of the - if not - the most important issue facing, I think, politicians today, certainly the issue of tax bills in the last civil election was very large. In fact, if there ever was a tax revolt

in this province, I think it was reflected at least in the civic election, where the only issue really was the size of the tax bill coming forth with the education portion of the bill that is sent out by the City of Winnipeg.

The Minister and his party have made commitments to go to 90 percent funding. We have indicated we'd like just to get back to the 80 percent funding level, which I think would be a major achievement, but we are now operating, I believe, under almost no rules or no funding formulas in this province. There's basically, I think probably three areas that an old formula, new formula, and then a grandfather grouping, but each has so many exceptions now that I believe when a group of school trustees, teachers and other people involved in the whole question of school taxation came to really study this - and I believe they presented a paper to the Minister and the Premier - it indicated that there really was no formula in place for educational financing in this province. So we see it as a major priority in trying to address this issue.

I believe that Dr. Nicholls' recommendations to the government several years ago indicated that there should be a review within three years, and when we get to the question of financing, we'll be dealing with the aspects of what, if anything, is being done with it.

But I think this is one of the biggest issues in the taxpayers' mind as it relates to the question of financing; and no matter what the Minister may say, the amount of money that the province is putting into the educational system, I don't think that the public, the consumer of the product and those who are paying the tax bills on their homes would share his optimism that, in fact, the taxes for education are going down as it relates to land.

I guess the other single important issue that affects the public in general is the perception by the public that the public school system is not working, or it's failing their needs. And I say it's a perception, because I would agree with the Minister that we have an excellent public school system out there. We've got good people, whether they be administrators, teachers, principals, superintendents, trustees, who have spent a lot of time, effort and scarce resource dollars in providing and improving a good educational system within this province.

But there seems to be a widening of the gap between what the public perceives of the system and what those who are in the system feel that it is providing. Until we somehow bridge that gap, or at least instead of going from a diverging point of view to a narrowing and perhaps an acceptance in the public mind, that the system that is in place is a good one, we can always improve upon it; but until we get their commitment and their involvement in it, I think we, as politicians and certainly as legislators, will have let down the community if we somehow don't, as I say, bridge this gap. And it involves the School Boards, it involves the teachers and it involves the Department of Education.

Now there is no easy answer for this - some areas have been successful, some have not - but I think it's important that we somehow come to grips with this malaise or growing disenchantment, because I know the stampede to independent or private schools is not diminishing, it's increasing, and I think it's important that people stay within the public system. There's always going to be a need, for whatever reason, for an

independent school system, but it would appear that there is a growing belief in the public's mind that the only way to get a quality education is to go to the independent school system. Again, it's a perception I think that we, as legislators, have to address because you just can't take good students, any students out of a system, and put them into another area because then what is left, I think, is the poorer for it.

I touched briefly on the area of the High School Review. It's important that this process continue. We have some concerns that I understand that, right at the moment public hearings are in process and, once they're concluded, then the review team will attempt to assess and put together a position paper that either the department will act on or perhaps there will be further public consultation on it. Our only concern here is, and again as I indicated earlier, I compliment the Minister for getting on with the thing, but having read the number of questions that they want the public to comment on and digest - and I'm talking about the trustees and parents and all those who are involved in the educational system in one way or another - that they be given an opportunity to really be able to analyze and digest and perhaps give a good response to it. And I'm not saying that this should be dragged on forever, but I think it's too an important issue to be rushed through hastily and if we miss something by six months, so be it, if we can get perhaps a better consensus emerging from it.

And out of that, I would just ask the Minister if it's possible, we believe that a number of people have been making presentations in a written form to it, if they could be made available to us. If it's possible, we'd like to be able to see them. We don't need them today or the next day, but if it's possible that there are extra copies or we could at least get extras from them, or whatever, we'd appreciate receiving them.

The Minister touched on the question of finances at the universities, and I would agree that there is a main concern by the government, also by the Opposition, but those who are in the university community, about the question of financing, because the universities are basically geared to run their own show. They deliver the service in the best way they know how, but it would appear that there is a financial concern with the universities, the financial concern getting to the point where perhaps their ability to deliver a quality service out there is being affected.

They're in effect perhaps marking time at the moment. I know that the Minister has announced a \$20 million, at least there was an announcement in the Budget of a \$20 million project to try and help the fund raising aspects of the University of Manitoba. This is welcome news indeed, but the concern I have is that, in past fund raising by the universities, basically the funds have been used to enhance the university. And my feeling is, and in talking with those who are involved in the university system, that the fund raising this time, and including the \$20 million that will ultimately flow to them, would be nothing but used to replace that which should have been put into place some time ago by the government because of their lack of funding. So we're dealing with replacement with these dollars rather than enhancements and I feel that will not serve our universities well.

I have a motion on the Order Paper that hopefully we will debate during the Session and the issues that

touch on it, I hope to leave at that time, but we will be looking at the question of financing and the financial shape of the universities during these Estimates.

One last point I would like to touch on is the whole question of base post-secondary training, job retraining, adult training, the whole area. The Minister has under his authority at least three colleges, plus the universities. There are other departments that are involved in Manpower training or retraining and it would seem to me that, as this aspect of education becomes - well it is a big business right now and it's important, that perhaps this whole area should be consolidated, either into one department or perhaps coordinated by one Minister. I'm thinking now that, I know the Member for Brandon East has some responsibility in it; the Jobs Fund has funds in it.

There are some training programs through the hydro developments through the Department of Education, but it seems to me that the whole question of job training and retraining, along with the Federal Government and their input, is sort of spread throughout the government; and I can appreciate people may attempt to try and provide a coordinated effort, but it seems to me that to really do it, it should be brought under either one Minister or one umbrella organization, and to make sure that we're getting value for our dollar, we're not duplicating services. I don't mean to imply that we're not getting value for our dollar, but perhaps we can better target these funds. Also perhaps that, with this sort of central Minister, whether it be in Education or another ministry, that we would be able to forge greater and stronger links with the outside world as it relates to training for future job positions.

I know there are some links between the colleges. They have their advisory bodies, but I think the key here is some fundamental issues have to be defined as to the type of training that should be put into place. Should it be generic only at the lower levels and, as you go up, you get involved with apprenticeship trainings, federal initiative programs through the colleges, other things like this. But they should all be treated as building blocks to some level of achievement. I think it's important that we make sure that vast amount of money that's being spent in the job training area is targeted into the area of most need, and that we're getting, as I say, the best value for our dollar.

As it relates to my last comments, I would request, if the Minister has any studies or any proposals under consideration where they're looking at or trying to coordinate this type of proposal, I'd appreciate receiving it before we get to that aspect of it in the Estimates.

That concludes my general comments. I believe one of my colleagues has a request for information that we could use later on during the Estimates.

MR. CHAIRMAN: The Member for Kirkfield Park.

MRS. G. HAMMOND: I would like to know if the Basic French, the \$100 per pupil, if that's the total cost to a division or to the department of the Basic French Program, if I could get some other costs if there are.

HON. J. STORIE: I will certainly try and provide as full an answer on that as I can. Of course, the answer to the question will be determined by the kind of program

the school is offering, the number of students it has for its Basic French Program, if it's able to run full classes. There are all kinds of different determinants, whether it has to hire additional staff or whether there is someone currently on staff. So there are a whole bunch of difficult questions.

I will ask and see if we have any kind of firm data or whether we have any impressions about whether divisions can provide the program within (a) the grant per pupil that they get in the first instance, plus the additional grant of \$100 for the Basic French Program, if that's the question you're asking.

MRS. G. HAMMOND: Yes, thank you.

HON. J. STORIE: Mr. Chairperson, the Member for Fort Garry raised a number of questions, and I want to thank him for his extremely thoughtful comments on a number of very important issues.

I think the Member for Fort Garry and I are on the same wavelength when we say that it's an important area, and there aren't always easy solutions to the problems that are out there. My experience has been that the school trustees and the teachers and the parents understand that, and that makes the job that much easier.

The member commented about the perception that people have that their taxes keep going up. I would hazard to guess that, while the provincial per pupil contribution has increased some 60 percent in the last six years, the increase in special levy has been under 25 percent or certainly under 30 percent increase on a provincial basis. We could get into division-by-division scenarios and there would be some interesting exceptions to those, but the fact is that the Provincial Government, as you know, has not increased the educational support levy - in other words, the province's portion of support that comes from property taxes - since 1983 for farms or residences.

The fact is that, and I've made this point on many occasions, neither the Department of Education nor the Government of Manitoba controls, in the final analysis, the costs of education. That responsibility falls to school boards and, collectively, we're going to have to address it if we feel there's a concern there.

The member referenced a perceived dissatisfaction with the public school system. I wouldn't deny that there is dissatisfaction out there with specific elements of the public school system, specific elements of a school program, specific teachers, administrators, schools. My feeling was, after meeting with probably from 1,200 to 1,500 parents and students in every corner of the province, that there is no generalized dissatisfaction. There are concerns, this, that, my son's success. But if you ask them a general question, how do you think we're doing, the answer has been, not bad.

Public surveys, I think, confirm that basically. The elementary system gets much higher marks than the high school system, but I think that's understandable when you appreciate that the goals of the elementary system are much more clear-cut. We understand what the elementary system, Grades 1 to 6, even Grades 1 to 9 - although not quite as clearly, certainly Grades 1 to 6 - school is expected to do. It's not so clear what

we expect or that we can have our expectations met at the high school level.

There is no stampede to private or independent schools. The statistics indicate that, since 1980, there's been a 10 percent increase or whatever it is. There are currently about 9,600, I believe, private school students. It's estimated that there will be some 10,000 by the year 1991. So the number of students in private schools has remained relatively constant.

The member referenced the High School Review Committee and their task. I have talked to members of the committee and indicated, I hope to the satisfaction of the Member for Fort Garry, that while we have set some time lines for a final report and recommendations, if the public response is such and the indications from the public are such that more time is required, I am certainly prepared to grant that.

I think I agree finally with the Member for Fort Garry when he suggests that we don't want to have this to be an unending process. We want to have an assessment, to make some recommendations, and go forward and implement the necessary changes that we feel are correct and in the best interests of the system. We intend the process to be thorough and, if more time is required for public input, public consultation, that certainly is a possibility.

In terms of the other major issue raised in the member's remarks, consolidation of course has been an on-again off-again thing in the Province of Manitoba. I remember, when I worked for the Department of Education, there was a University and College Affairs Department. Other provinces at various times have amalgamated education and post-secondary education and adult and continuing education and, at other times, segregated them.

Currently, the Province of Saskatchewan is amalgamating theirs again into the Department of Education, so they're bringing what were two separate departments together. There is no doubt that there needs to be and I think that there is a considerable interchange of ideas, interchange of proposals and anticipated actions between the Department of Employment Services, to some extent the Department of Labour because of their interest in the Apprenticeship Program, and the Department of Education.

So we certainly are trying to get our act together. That has been a very conscious thrust over the past three years. I think we all recognize, in an effort to be more efficient and more effective, we have to do that. So I think we're trying. I'm not convinced that the necessarily best solution is breaking the department, splitting the department or reformulating one area of the department to incorporate colleges in training and retraining. To date, there are no formal proposals or discussions to move that forward. That doesn't mean that, at some point, it shouldn't be considered or that it won't be considered.

MR. C. BIRT: Mr. Chairman, just a couple points on the comments of the Minister, one is his numbers on the increase of independent schools. The only limiting factor at the moment is the number of facilities available in the independent schools. This is the time of year when people make application for the fall. I've been advised that the competition for a limited number of

spaces is so great that it's been said that at least one, perhaps two schools could be built right now that would accommodate at least another 600 or more students, and they could be filled immediately. It's just a reflection of the times, and that's why I'm just touching on it.

As far as the amalgamation is concerned, I was thinking more in the lines of how the British Columbia Government handle their post-secondary education and job training. They have a Ministry of Advanced Education and Job Training, and everything is under that particular portfolio. Now there may be some exceptions, but at least you've got one Minister in charge of one budget dealing with this whole job-training situation. I can appreciate that winds of change blow and whims come and go and there are consolidations and moving around, but it just strikes me that it's such a large and diverse group of people involved, the amount of money that's involved and the different objectives, that perhaps it would be better if it was coordinated under one roof.

Those are the only comments I have. I'm prepared to go into some specific questions now.

MR. CHAIRMAN: Starting with 1.(b)(1), Executive Support - the Member for Fort Garry.

MR. C. BIRT: Mr. Chairman, I'm wondering if we could just deal with some general questions dealing with the whole area of 1. I have some specifics dealing with some monies that will come on later and my colleagues will have questions too, but if we could just deal with them in general policy areas and then we can pass the whole thing once it's through.

MR. CHAIRMAN: Whatever's your pleasure.

MR. C. BIRT: My first question is to the Minister dealing with the committee that was established, I think, before he became Minister, which was a committee set up to review The Department of Education Act and all other acts as they relate to the Charter. Dr. Nicholls and, I believe, Mr. Roy were created as a duo team to be responsible for and to review the various pieces of legislation as to whether or not they comply with the new Charter, now five years old, and whether some recommendations or review should be made. We went into this at some length last year.

I'm just wondering, have the committees: a) is it still functional; and b) have they made any recommendations as to changes as it relates to The Department of Education Act or any other educational acts under the Minister's authority.

HON. J. STORIE: Mr. Chairperson, no, the committee is really not active. The two individuals you cited were responsible for reviewing The Public Schools Act in the main but others as well, and highlighting areas where they felt there may be room for further investigation. That, of course, was turned over to the Department of the Attorney-General, which has been the department which has been responsible for bringing forward Charter compliance legislation.

The only area which I guess has moved forward is, as the member knows, the question of french school governance, which is right now before the Manitoba

Court of Appeal. But the other areas, there have been no issues identified which are so, I guess, urgent that there is a need for legislative changes. There are questions that have been raised.

My own feeling is - and I've said this publicly before - that I don't think governments need to be stampeded by the fear of Charter compliance. I think we all want to live within the bounds of the Charter and to implement its spirit, but I think we want to be cautious in prejudging what a court or courts might interpret as necessary because of the Charter. So I can't say that there is anything in the review - and there were a number of areas identified including student placement, including the rights of parents, including language of instruction and so forth - that would necessitate any major changes at this point. That's not to say that at some point an aspect of The Public Schools Act, The Education Administrations Act, won't be challenged; in fact, that may happen. To date, I haven't heard of any major threats in that regard.

MR. C. BIRT: Then the position is, if the Department of the Attorney-General in its omnibus review of acts comes across something in the various educational acts under the Minister's jurisdiction that perhaps need some clarification or refining because of the act, then these are basically like housekeeping issues to protect the department and the education community from any potential litigation. So it's really then, if the public has any concern, they feel they have a right that is given to them under the Charter, then it's up to them really to bring it forward and make the issue themselves.

I'm thinking, recently there was the question of the freedom of prayer, that young student who was there last year, whether or not that was to be an issue. You hear these issues being raised, which I think are often perhaps spur-of-the-moment things, but very few of them flow through to actual court cases.

HON. J. STORIE: I think the member is right. There have been, in other jurisdictions, challenges including those relating to religious exercise, based on the Charter. I have said that I am obviously interested in what happens in other jurisdictions, particularly with reference to Charter challenges, because they do have more direct implications for every province and every jurisdiction.

I certainly have an open-door policy when it comes to individuals having concerns about any of the conditions or requirements under our acts or regulations, whether they refer to the Charter or to common sense or anything else, although I can't say that I've had anybody in the office in the last little while concerned about some aspect of our acts in terms of the Charter.

MR. C. BIRT: Mr. Chairman, I would like to deal with the question of governance, and I can appreciate there is a matter before the court, especially the Court of Appeal, and I don't wish to touch on anything that might prejudice or harm that proceeding in any way. But I would like to deal with the question of governance, if we can without getting into some problems.

Firstly, what is the specific issue that is before the courts? I believe the government agreed with the

parents to move out of the Trial Division, which is the Queen's Bench, and go directly to the Court of Appeal for a definitive answer. You're looking for some guidance, if what I read in the paper is the position of the government. So perhaps you could tell us just what is the issue or issues that you're hoping the court will give you guidance on.

HON. J. STORIE: Mr. Chairperson, it does raise a problem. I'm not sure how in-depth we want to go in terms of this issue. I can only indicate that the Attorney-General's Department obviously is taking the lead on this issue and, really, it revolves around the question of whether the current provisions of The Public Schools Act are appropriate in terms of, and consistent with, I guess, the obligations that exist either on the basis of the Constitution Act of 1982 or the Charter of Rights.

In essence, the provincial position is and has been that what we're doing is consistent with the intent and the obligations. That in a nutshell is the issue.

MR. C. BIRT: Mr. Chairman, does it focus on the question of numbers? Like, if you have 10, you can get certain rights; if you don't have 10 - is that the issue that is going before it, or is it something much broader? In other words, a certain segment in society has a right to perhaps establish their own form of school system, however it may be defined. That's what I'm trying to get at. What sort of issue is it that's before the court?

HON. J. STORIE: Well, the issue, as I said, is a whole range of questions that have been raised about the appropriateness of The Public Schools Act, which obviously includes a reasonable limits provision or whatever you want to call it. When the courts make some ruling, I assume either the province will be vindicated or may be required to take some further action. However, I suppose the opportunity is always there for a further court decision or court battle, if you will.

MR. C. BIRT: Reading the press clippings relating to it, which is the conversations between the Minister and representatives of the parents who were involved in this court challenge, they make reference to other provinces. Alberta - I believe their's was a question of numbers, whether you had to get a certain number before you could get service, or could you get it as a matter of rights sort of thing. I think there is a solution in Ontario where a separate school board was created in the Carleton or Ottawa area, and I think a certain number of Francophone trustees were also accommodated.

They're slightly different issues and the whole question of governments, you know, how does it go; I mean where is it going? It's indicated in the news articles that I read - one by Frances Russell which seemed to be pretty thorough, and two or three other press comments, one by Julie Necheff - we're not dealing perhaps with just one issue. It's a very complex thing. Are we talking about an elected body? Are we talking about an appointed body? Are we talking about the allocations of funds to it?

I'd like to get in the area but I don't want to sort of get involved in the court case. That's why I'm trying

to define what are their issues and what are some of the other issues, because obviously it's an issue in every province and the public has to come to grips with it one way or the other. We didn't deal with it too much last year. I'd like to sort of get into it, if we can, but maybe there are 20 questions being asked to the Court of Appeal, and if I could get a list of those, I could see what they are and we could go into another area.

Perhaps the Minister can help me or at least comment on this general area.

HON. J. STORIE: Well, the issues are certainly different between provinces because of our differing histories. In Manitoba, we have a public system. Within the public system, there are francais schools, there are immersion schools, there are public schools, and there are elected bodies to operate those schools. I guess the question is one of the degree to which our system, the public system, conforms to the obligations, the rights, that exist under the Constitution and the Charter.

There are many different ways to solve the problem, I suppose, from either perspective, should there be one. The courts in Ontario and Alberta have been rather non-specific in terms of a remedy for the perceived problem. I suppose that's why we asked the questions, or the questions are framed in the way they are, asking whether the current provisions are adequate. I don't think that we expected or it is likely one should expect the courts to specify what might be a remedy should there be a problem.

It's a little premature to even talk about what might come about as a result of the court's decision because you would have to look at what the court found inadequate or unacceptable in terms of the current legislation and then you would probably be able to generate a whole series of scenarios to deal with the problem.

So I think the best answer is to simply say that it revolves around the question of whether the current Public Schools Act provides them with what they feel are their significant rights relating to the education of their students, of francophone students, and the province's position is that the status quo, if you will, has served us well.

MR. C. BIRT: Mr. Chairman, I can appreciate this may be just outside the jurisdiction of the Minister and it may touch on the Attorney-General's Department, but no doubt that his department was involved in the framing of the questions, and maybe if he could provide us at some during the process of the Estimates the questions that the Court of Appeal has been asked to answer or to make comment on. I presume that these questions were drafted by agreement between the government and the party who is challenging, whatever group or individual it might be. So perhaps if we could see those, and that might answer some of the questions in my mind, and then we can either go on to other areas or wait and see what the court is going to say.

HON. J. STORIE: Mr. Chairperson, I will certainly review with the Attorney-General the appropriateness of that request, and if I can accommodate the member, I certainly will.

MR. C. BIRT: I believe the Research and Planning Department was involved in the preparation of, if I could call it, the position paper, for the High School Review, or at least if they weren't as an entity, one or two people from that department were involved in the preparation of the position paper that ultimately involved. I mean they did the mechanics and the number crunching and perhaps the final drafting.

I'm just wondering; once all these submissions are in for the High School Review, will it then go back to the Research and Planning people to review and give to the board, or does it go to the board itself and then in?

I want to get a handle on just the process of what happens after the public process has been completed.

HON. J. STORIE: I wouldn't want to leave the impression that Planning and Research had prepared the issues or decided how they were going to be presented. Planning and Research had done, I guess, a preparatory piece in terms of the significant characteristics of the high school system and the public school system, it's history for the High School Review Committee, and this was simply in preparation for their raising of the questions.

After the High School Review Committee had met many times and sub-committees had met and flushed out each area, the department provided, I guess, writing services and the draft was prepared and vetted through the committee.

I expect that the same kind of process will take place when the final report and recommendations are prepared. That is that the department will provide, through Planning and Research, the administrative support, but that the detail - the ideas, the recommendations - will be as a result of consensus, hopefully, within the committee itself.

So that's the role that they've played, and I think it has been seen as being satisfactory to the groups that are currently involved with the committee.

MR. C. BIRT: The High School Review does not have any of its own sort of staff writers or research people itself. They haven't had anyone seconded to them, have they?

HON. J. STORIE: No, they don't have anybody on their own.

MR. C. BIRT: So, basically, the Planning and Research people are sort of the resource centre for them, and I can appreciate the committee crafted those questions through consensus or however. They have all the 20-odd questions they're asking the people to comment on.

What happens now once these papers and positions have been given to them? Does the board sit down or will the group sit down and analyze them and come to their own conclusions, or will they go straight into the - whether it's one person or the whole department, I don't know - Research and Planning to analyze and make recommendations to the committee; then they'll start reviewing it?

It's really where do we go from here that I'm interested in. I'm assuming now all the public process is concluded.

HON. J. STORIE: Well, certainly, my understanding is that the committee themselves will be analyzing the material that's presented. Many of them will be present at the time of the presentations and they will certainly be asking their own questions about the intent of the presenter, asking questions for clarification and exploration. When the time comes to write the report, they will be formulating the report based on a consensus of the committee. I guess the drafting will be done by staff, but the content will be the responsibility of the committee.

MR. C. BIRT: Mr. Chairman, once the position paper or whatever evolves out of this review that the Minister has just described, what then will happen? Will a final document be made public for further comment, or will that become then the position of the committee and it'll go to the department for whatever action, if any, is done as a result of it?

HON. J. STORIE: Well, the original intent, after the public consultation, was to develop recommendations. I can indicate quite clearly, at this point, I have no best guess even at what those recommendations will be. I expect them to be quite extensive. Implementation, of course, will follow that, and where there are controversial, radical - if I can - changes being recommended, then there may be opportunity or occasion or necessity of having further public consultations.

So I expect that the implementation process, after we receive the recommendations, will be some fairly lengthy period of time. Some of the recommendations may be very expensive. So it's unlikely that we're going to get a set of recommendations that the department or the government is going to be prepared to say let's do this tomorrow.

It is more likely that we will get a set of recommendations, some of which will be implemental and should be in the short term, and others will have more serious, longer-term implications, and we'll want to perhaps go back for a second round of consultation and review. It's a little premature to start speculating on what the recommendations might be and what we might do with each of the recommendations. That would be kind of an off-the-cuff response.

MR. C. BIRT: I know it's perhaps a little premature, having not received their final report or recommendations, but given their report to the government, as the Minister said, there may be immediate, intermediate and long-term things that can or should be done or may not be done, the question in my mind as it relates to the question of The Public Schools Act - a review of the act - will this necessitate, or maybe it will come in tandem that some of these proposals may flow through and require legislative change. If that's done, will it broaden itself into a bigger, perhaps, update of The Public Schools Act as it affects the whole province?

Now I can appreciate this is perhaps a little crystal-balling, but I suspect from time to time governments like to review the major legislation, and I'm just wondering, is there some perhaps revision or upgrading contemplated but it's being held off pending this type of report coming in?

HON. J. STORIE: Mr. Chairperson, there is no immediate plan to review The Public Schools Act. However, I think it's fair to say it has been at least seven years and probably - I believe there was a review of the act in 1980 - but there has not been a serious major overhaul of The Public Schools Act for some time. So it may be coincidental to some changes that come out of the review. I'm not speculating that far ahead at this point.

MR. C. BIRT: Mr. Chairman, while I'm on the issue of the High School Review, my colleague from Roblin-Russell would like to ask a few questions.

MR. CHAIRMAN: The Member for Roblin-Russell.

MR. L. DERKACH: First of all - thank you, Mr. Chairman, to the Minister - with regard to the High School Review, there have been a couple of meetings held in the city regarding the High School Review, according to the schedule that's been set out here.

I'm just wondering what process of advertising has taken place or is taking place with respect to these public meetings.

HON. J. STORIE: There was an initial announcement. Letters, along with copies of the High School Review Committee's report and a discussion paper, have been sent to school divisions, student associations, to the university student associations. I have raised it at every public meeting that I've held from last year to this year, and I've been through most divisions.

There is advertising planned for the weekly papers in rural Manitoba when the visits are scheduled. The next round of public meetings in Winnipeg will also be better advertised. I understand that there was not the kind of advertising that perhaps should have been done for the first series, although, as I say, the school divisions and trustees, and so forth, had ample notification. The public obviously had an opportunity to be aware of the meetings as a result of several public statements on the High School Review.

MR. L. DERKACH: Mr. Chairman, I think one of the very important areas that has been discussed in the last few years has been the necessity of having a proper and thorough High School Review process take place.

I think that we're going to make a sham of this whole process. I shouldn't say "we" - the government will make a sham of it if proper advertising is not done. Now I don't know who has the responsibility for that advertising, whether in fact it's school divisions or whether it's the department, but I didn't see any of the first meetings advertised in any paper. I try to pay some attention to what goes on in terms of education and I may have missed it, Mr. Minister, and if I have, I apologize for it, but I didn't see any advertising about the meetings or where they were held.

I would like to know whether in fact it is the department's responsibility or the High School Review Committee's responsibility to advertise these meetings, or whether it's the responsibility of local school divisions or towns where these meetings are being held?

HON. J. STORIE: No, Mr. Chairperson, it is the responsibility of the department, I guess, in conjunction

with the schedule of meetings and so forth that has been planned by the High School Review Committee.

A communications plan is in place. You have already heard it publicly. I think one of the co-chairs of the committee indicated that he didn't feel there had been sufficient notice, and I have indicated to staff that it is important that we have an improved communication plan in place. I agree with you 100 percent; we do need to make sure that the public is notified.

Having said that, you could advertise everyday and still not have every person aware of it. We have a budget that we have to live within, as the member knows, and we will certainly be making sure that we use those dollars as effectively as we can.

MR. L. DERKACH: I don't want to dwell in any great length on this particular topic, but I do feel it's important.

HON. J. STORIE: I think it's a good point; it is important.

MR. L. DERKACH: I know that provincially we've got a limited budget because of the kind of unscrupulous spending that's been going on over the last few years, but I think that in a process of this nature, which is so important, it must be advertised if we are going to have the kind of input from teachers, from parents, from students, that we desire to make this High School Review effective and to really let people, I guess, inform us as to what is of paramount concern in terms of educational programming in the high school.

Could I ask the question as to where the first two meetings were held and what the attendance was at those first two meetings?

HON. J. STORIE: Mr. Chairperson, the first meeting was held in Winnipeg at the Convention Centre; the second one, I believe, is being held today in Dauphin; and there is one scheduled for Selkirk tomorrow. The first one, there were six briefs presented. I can't report on the meeting in Dauphin.

MR. L. DERKACH: I see two dates were given for Winnipeg: April 29 and April 30. Were those two separate meetings in the city at separate locations or were they . . .

HON. J. STORIE: No.

MR. L. DERKACH: . . . a one-day continuation of the first date?

HON. J. STORIE: Mr. Chairperson, there was only one meeting on the 29th and the other meeting has been rescheduled for later. Hopefully, the advertising program that is in place as a result of, I guess, our concern and your concern, obviously, that the advertising will be sufficient. You can't drag people out to make presentations, but you can certainly try and make sure that they are aware of the fact that this is going on and the importance of it.

MR. L. DERKACH: Can you tell me how many briefs were presented at that first meeting?

HON. J. STORIE: Mr. Chairperson, I think I indicated there were six, although there were other people who

had called and indicated that they intended on making a presentation, but because of the possibility of a later date had chosen the later date. I think perhaps that explains as well why the number of briefs was fairly low. Obviously, another month to prepare yourself, or another month-and-a-half, is useful.

MR. L. DERKACH: Is there a requirement for those groups who wish to make presentations to have a copy of their presentation handed in or at least their intention known before the meeting?

HON. J. STORIE: No, Mr. Chairperson, there is no requirement that they have a formal presentation.

MR. L. DERKACH: Does the Minister or the chairperson of the High School Review panel have a list, or has there been any indication from groups who may wish to make presentations before the review?

HON. J. STORIE: Yes, there are some people who have indicated that they wish to make presentations; but again, that is not a requirement. If people show up, they are heard, obviously.

MR. L. DERKACH: Do you know the numbers?

HON. J. STORIE: Mr. Chairperson, I understood that there were somewhere in the neighbourhood of 60 presentations or briefs that either have been submitted in writing or are going to be made before the committee. I expect that there will be many more by the time we have the public presentations completed.

MR. L. DERKACH: What has the representation in intended presentations been from rural Manitoba as compared to the urban centre?

HON. J. STORIE: Well, given that we've only had one meeting really in Winnipeg, it's been fairly limited from rural Manitoba. There is that meeting today in Dauphin and I perhaps could answer better tomorrow when I know what the attendance has been there. As the member can see by the schedule, there are a number of other rural centres where the committee will visit. So we'll have to wait and see.

MR. L. DERKACH: I'd like to ask a couple of questions with respect to the topics that have been selected for discussion in the High School Review. The topics themselves are fairly broad and cover a fairly theoretical range of education.

I'm wondering whether or not the Minister or the panel are flexible enough, I guess, to allow for some other topics for discussion that might be related to more specific aspects of the high school programs.

HON. J. STORIE: I can't speak for the panel, Mr. Chairperson. I know the Minister is extremely flexible.

MR. L. DERKACH: I guess, because the Minister is in charge of the entire department, that message probably should be forwarded to the chairperson of the review panel and also to the members of the review panel so that people will not be stifled in terms of the parameters

of what they are allowed to speak on as long as it's contained to the high school programs and the betterment of those programs.

HON. J. STORIE: Mr. Chairperson, I have made that very clear and indicated that the public presentations, whether they are in written form or orally, are an integral part of this process, and the questions that have been framed, and the way they've been framed, are simply to be used as a springboard for discussion. There are no magic answers. I mean there are only questions in this paper. Despite the fact that we have 21, I think, representative Manitobans with some expertise and obviously some interest in education, that doesn't mean that they've covered the waterfront.

I feel fairly confident in assuring you that the committee will listen to any presentation and accorded the respect that it deserves.

MR. L. DERKACH: I don't want to appear to be overly suspicious of the process, Mr. Minister, and I'm not. I have confidence that if there's an honest effort made at conducting a proper high school review that that will in fact happen. But I'm wondering what period of time is allowed for the presentations from the people in the various areas.

HON. J. STORIE: Well, I certainly have not given them any - and I don't believe the committee has set any rigid time lines for the presentation of material, that the fact I believe that people are free to make their presentations as we do in committee, in effect, continue until they're done. I think the people who are sitting on that committee understand the process and are not there to stifle or to limit the debate or the discussion in any way. I would certainly be upset if I found that to be the case.

MR. L. DERKACH: Once all the material is collected, I imagine it'll be a fairly awesome task to try and shift or shuffle through all this material and collect it into some reasonable summary form. Will we be apprised of the summary of the presentations that have been made to the High School Review?

HON. J. STORIE: Will you be apprised? I can certainly apprise you verbally. I don't know that there will be any formal document written, if that's what you mean, for public dissemination at that point. Certainly, I am prepared to make available to the committee, the Legislature, the names of the presenters. If we have copies of their presentations, if those presentations were written, at some point to make sure that you or any other member of the public has access to them.

MR. L. DERKACH: I appreciate that, but I guess I'm asking for something that's one step further down the road, and that is that the department or the review panel will probably choose the things from the reports that are similar and will compile them into some kind of a rational form, and I'm wondering whether we would be able to get a copy of that kind of a summary when it is done, and if one is done.

HON. J. STORIE: Mr. Chairperson, if there is something done like that as a prelude to making the

recommendations, that is for public - if it's not just a working document for the committee - then certainly the member could have access to it.

MR. L. DERKACH: It may be premature at this time to be asking questions as to what the department and the Minister will do with the information once it's collected, and I guess that question can be asked at a later point in time, but is there a plan at the present time to deal with the information that is collected through the process?

MR. ACTING DEPUTY CHAIRMAN, H. Smith: The Honourable Minister.

HON. J. STORIE: The information, you mean, in terms of recommendations? -(Interjection)- Yes, I think I was trying to indicate to the Member for Fort Garry that I am not prejudging what the recommendations will be and I haven't set the department in any particular motion to deal with some possible recommendations. I think what I've indicated, and I hope that this is straightforward is that there are likely to be recommendations that will be implementable in the immediate term.

There will be other recommendations because of their cost, because of their complexity, that will take a longer period of time. Nonetheless, members will be aware of what the recommendations are at the outset and will be able to follow the progress or the lack of progress, I guess, although it's highly unlikely there will any lack of progress of the government on the recommendations.

MR. L. DERKACH: There's just one other area that I'd like to touch on with respect to the High School Review, and that is the document that was presented to the Minister and his department from the Parents Network Committee. Now, I don't believe that the intention of the Parents Network Committee was to work against the Minister or the department or the panel, in terms of how they perceive the evaluation of the High School Review process. I think there was a genuine interest there to supplement or enhance the process, and I'm wondering whether the Minister or his staff have taken a look at that document that was presented, and whether there are areas of that report that was presented to the Minister that can be incorporated into the whole area of the High School Review process.

HON. J. STORIE: Mr. Chairperson, I had indicated to representatives of the Parents Network and I have in fact read the synopsis of their brief, which they presented to me, and indicated to them that their brief would be treated as any other brief that was presented to the committee. It will form a part of the deliberations when the committee sits down and reviews all of the submissions that it's received.

So to that extent, it will be a part of the review and I think their presentation obviously required a lot of work and thought, and they deserve credit for that. I'm hoping that other groups will put similar effort into their presentations. I'll leave it at that, I guess.

MR. C. BIRT: Mr. Chairman, another area, but before I ask my questions, I could perhaps make a suggestion

to the Minister and his staff. I'm using the Estimates sort of as the bible, and how the various sub-departments are broken out in the Department of Education. But when one goes to the Supplementary Information for Legislative Review, which this is the first time it's been available, I believe, this year, and then you look at the Annual Report 1985-86, they don't seem to jibe in the sense that you've got to go through several areas to try and figure out whether the questions you want to ask are properly in this department or in another subsection.

For example, just to give you a small example, page 44 of the Annual Report would appear to deal with Administrative and Finance Division, which we're on, but it raises the question about or deals with Frontier School Division, but then you have to move beyond to page 66 to get to the Frontier School Division. I'm just wondering if perhaps one or the other can be coordinated for easy reference.

Mr. Chairman, if it's going to cost a great deal of time and effort and money to change it, I don't want to do it. It's just that you can make things perhaps a little easier and more readable presenting in the sense of trying to pull together for here, so they will match up with the other financial documents which were related.

HON. J. STORIE: I agree with you. I had trouble coordinating the two myself. I think it's an excellent suggestion. Perhaps for next year, we'll make sure that the departmental report coincides with the Supplementary Estimates. The Supplementary Estimates are a standard format across - I think it's been the intention to standardize the Annual Reports. It's unfortunate they've been standardized in format, but not in terms of the organization of the content.

MR. C. BIRT: Mr. Chairman, my colleague points out, this is a year out of sync to the financial report and I can appreciate that.

HON. J. STORIE: And it will be in the future.

MR. C. BIRT: This is more narrative; this is more of the financial breakdown. But I'm wondering, we're so close. Well, we're beyond March 31 now. Is there any way that we can get caught up so that this document will be current with this document, or is that too much to expect?

HON. J. STORIE: We could start sitting in September.

MR. C. BIRT: We did that last year.

HON. J. STORIE: I didn't like it, how did you feel?

MR. C. BIRT: Mr. Chairman, dealing with the area of teacher qualification, the Minister indicated that last year, as a result of some one or two problems with teachers, as it related to offences against children, I believe one teacher in question was ultimately tried and sent to jail. It turned out that the records had been falsified or false documents had been used to get that teacher into a teaching certification position here in the province.

The Minister indicated that he was going to attempt with his colleagues to either raise this issue or put something into place, so that there would be sort of a national network where there could be a check system, where someone from outside the jurisdiction would be vetted, so to speak. If they did have some priors or some problems in this area, that you could key in or be able to access to determine the validity of, (a) that documentation was being supplied, and more importantly, whether or not the person in question did have a criminal record as it related to these particular areas.

I'm just wondering, can the Minister give me an update as to where we're at. Is it in place? If not, when will it be in place? If it's not in place, why isn't it in place?

HON. J. STORIE: I think the incident that the member refers to is a particular incident, did not involve a teacher actually; it involved a school clinician. Nevertheless, the problems are somewhat similar. As a result of that incident, and I guess my insistence that we develop some kind of national approach to dealing with that problem, we have met and discussed it at the September meeting of the Council of Education Ministers for Canada, and subsequent to that have developed a protocol with at least two provinces currently, I believe, and several other provinces we're in negotiations with. There are reciprocating agreements now. We have also established within the department a procedure for requesting permission to do a personal investigation for applicants for certificates in the Province of Manitoba so that we in fact can assure ourselves that we are not receiving problems from some other jurisdiction.

We reciprocate with other provinces when we suspend certificates in Manitoba now, so that we have that exchange now going on as well. So I think we're going to be able to eliminate, in large measure, that problem. That was the goal, and I'm hopeful that over the next few months we will solidify those arrangements with other provinces and effectively eliminate that problem.

MR. C. BIRT: Could the Minister advise what two provinces I think he'd indicated he'd entered into a protocol agreement with? Is this protocol agreement just the basis on which the other provinces will be coming in? In other words, is it sort of the master policy, which all the provinces are being followed, or new policies being developed or changes being made by the other provinces? If so, would they then have to be reflected under the agreements that have already been signed?

HON. J. STORIE: It's a master agreement in terms of intent only, because each of the provinces have different processes for certifying teachers, somewhat different processes. We all understand the intent. The agreements have been signed, I believe, with Ontario and Quebec. Alberta is just in the process of finalizing them, and Alberta has also indicated an agreement to, I guess, sign a reciprocal agreement with the province. I think there was a general consensus among the Ministers of Education that this was a rather straightforward way to resolve this problem. All that it

required was some sort of mechanism within each province for identifying and following up on professionals looking for certificates or convicted individuals in that province.

MR. C. BIRT: Mr. Chairman, the Minister indicated that there's also in place now where someone, say in Manitoba, is suspended for whatever reason in this particular area that we're discussing, the other provinces are advised immediately. Does the information flow to the other provinces automatically? It's done as a matter of course. Once it's removed, then the next step is to send the information to the other jurisdiction?

HON. J. STORIE: Mr. Chairperson, what we're sending is simply when the department decides to suspend or remove a certificate we simply notify other jurisdictions of that suspension or revocation or whatever. We don't include the detail.

MR. C. BIRT: Mr. Chairman, I don't know whether the Minister touched on it, but it's an issue. When we met with representatives of the MTS and we discussed this issue, I think there was fairly general agreement as to what should be done and perhaps how far you take it. It may cause some problems, but the question that we raised is that coming from out of province or, as the Minister has now indicated, where someone is suspended, the fact that he has been suspended is sent across the country.

The question though is that of the people within the system of Manitoba, who perhaps were charged and dealt with, 10, 15, 20 years ago, what about them? The system seemed to me to relate only to those perhaps flowing in. What about those who have been here? You get into much bigger questions, I can appreciate, but is that issue being addressed by this province? If not, are other provinces doing it?

HON. J. STORIE: Yes, I've raised that issue with the Manitoba Association of School Trustees, and superintendents and teachers. I think there was general consensus. There have been problems in the past, largely because of other jurisdictions really sweeping problems under the carpet.

It's simpler to say to an individual, well, look, you're gone, you're out of here and we'll write a letter of reference, he worked here. In province, I think there's much more of a collegial relationship between superintendents, there's much less likelihood of that happening. To my knowledge, that hasn't happened where there's been a known problem, significant problem, and other divisions have not been informed. So it didn't seem to be necessary.

I think we highlighted for each other the fact that these problems were serious enough and chronic enough that we simply couldn't allow that to happen in Manitoba. I don't expect the problem. I guess the alternative to assuming that there's going to be that kind of professionalism among superintendents, among school boards, would be to do a more rigorous or require a personal investigation of every teacher that's hired, every child care worker.

So I think there was a general consensus that at this time we felt there was enough professional contact in

the province to prevent those kinds of transference of problems among divisions.

MR. C. BIRT: I can appreciate that it's a difficult and perhaps a sensitive issue. Not only are we dealing with the rights of parents, but we're dealing with rights of teachers or employees who are in the educational system. Someone who may have been found guilty for whatever reason in this particular area, say 20 years ago, has been performing admirably for 20 years since then. Do you punish them for it? Because once you pay your debt in theory, you've paid your debt and you can carry on.

But I guess society today is saying that there are some things that thou shalt not be forgiven on. I think that's really what we're dealing with on this issue in this area. It's a very serious area; I don't wish to minimize that. I don't have any other solution to the proposal, other than what the Minister is saying, that perhaps the informal system that exists in Manitoba, because we are small and relatively cooperative and communicate on a fairly regular basis. It's just that, I guess, a word of caution, that people should keep an eye on this because you can quickly forget, forgive or, you may want to move someone from this division to another and things like this, and it's done. I mean, that's human nature, heavens and it's just not subject to the teaching profession. I'm not saying that one teacher is causing abuse in one area and you slough them off someplace else. Don't get me wrong in that area. I guess it's just that the interest of the child is probably more paramount here than perhaps the particular teacher in his rights - I guess that's what we're saying. A formal system, albeit it effective, may not be the answer.

HON. J. STORIE: There's no question that the interests of the child or the children has to be paramount and, as I say, I don't think we have had problems. I should remind the member that if there has been a problem which has been brought to the attention of the authorities, and assuming that there is a conviction, there is obviously the potential for or there will be a suspension of the certificate, and that applies obviously to in-province and out-of-province teachers.

I think we have a mechanism in place for dealing with those problems, assuming that they're brought to light. If the problem isn't brought to light, then doing some kind of a search doesn't help, because I mean divisions will still be able to remove teachers or suggest that transfers occur or whatever.

MR. C. BIRT: Mr. Chairman, that concludes my questions in that particular area. My colleague from Riel has some questions that relates to transportation.

MR. CHAIRMAN: The Member for Riel.

MR. G. DUCHARME: Thank you, Mr. Chairman.

First of all, my question is in regard to bus transportation, and correct me if I'm . . . in some particular cases, but I feel the need for government social control in the form of competition policy regulation and public ownership. It seems apparent in this particular . . . in certain industries, yet questionable

on others. And I have some questions in regard to . . . I believe as of September 1, 1987, all school buses in Manitoba must be equipped with an eight-light warning system and a stop sign. Is that correct?

HON. J. STORIE: Mr. Chairman, I understand that is a proposed regulation, but it has not been passed as of yet.

MR. G. DUCHARME: So, what I will do, Mr. Chairman is maybe give you some of my concerns in regard to that regulation and get it on the record and pass it on to your administration.

First of all, put on record that to refit all existing buses that do not have this system is approximately \$1,500 per bus to do so, and according to the proposal, it would be right back retroactive to all vehicles. As you appreciate, Mr. Minister, in buses in Manitoba during the regulation, the by-law is no buses should be on the road for more than 12 years and I'm not questioning that. However, would they not assume or take into consideration that maybe it'd be more sensible to set the example for, say, all buses 1980 and forward to be newer equipped. And the reason for that is that . . . A couple of my reasons are that the eight-light system for instance is not used in Ontario, which has probably 10 times the amount of buses that is in Manitoba, and their safety record - and I have the facts and I can lay them on the table - are pretty close and similar to Manitoba's. And as you can appreciate, busing is probably one of the safest means of transportation and has been proven that in the record.

There are operators and school divisions that will have to probably spend this \$1,500 on buses that, for instance, if they're already nine years old or 10 years old, still buses are good because you have your inspection services. And to put these type of lights on these buses for this two or three-year period seems to be a little difficult on the school boards and on the private operators.

Another question I have, to the Minister and to the administration, maybe you could get these questions answered for me, or if there's anybody forward now that could answer some of my points that I have brought up now. Is there anybody that could answer any of the points?

HON. J. STORIE: Yes, I can.

I'm not going to disagree with some of the points the member has made. The fact is that some school divisions are doing this on their own, have chosen to. There are regulations, regulations that have been drafted, as there are continually, to update the safety of our school buses. There are, I guess, legitimate questions that can be raised about the necessity for implementing any safety measures, whether it's in terms of school buses or air quality or workplace health and safety legislation or whatever. It's hard to put a dollar figure on the necessity for safety. I guess I don't think Manitoba is necessarily the leader in terms of the eight-light system. The regulations have changed considerably over the last 10-15 years, and perhaps we can attribute our good safety record and our improving safety record to the changes that we've made.

Having said that, I think the member makes a number of good points in terms of having the requirement

perhaps reviewed in terms of at what age we make that requirement compulsory, school buses that have three years of life span left it may not be appropriate to do that. So I think that in particular is a good point.

I'm informed by staff that something like 1,800 out of 1,900 school buses are already equipped with that lighting system. I honestly, Mr. Chairman, to the Member for Riel, have not had any representation from school divisions directly, identifying concerns about regulations that are in existence or any of the regulations that are currently being discussed with the transportation division. So they may have raised those with you. I'm not sure whether the school board did directly, but I haven't had those concerns raised to me. I appreciate the member putting them on the record and I would be more than happy to review his comments or any

MR. G. DUCHARME: I don't question the administration and that. I don't question the safety. Being a former member of a school board, especially in an area that has a lot of school buses in St. Vital, we can, and I agree with him that we have to keep on with the safety program. We can equip these buses with all the safety features we can. The main thing is the driver that's driving. We can keep putting them on, and really we are educating the drivers and that's the key.

My only concern is that, I don't know if there's any truth to the rumour, that some school divisions did approach the department and apparently some of these lights were provided. Of course, they would equip them if they're provided at no extra cost to the school divisions.

Could the Minister inform me whether these lights were provided to the school divisions at no additional cost?

HON. J. STORIE: Mr. Chairman, of course the regulations change from year to year, and new buses that were purchased may, in fact, have had that particular light system and therefore there would not have been additional requirement. So that may have happened. Staff are not aware of any incident where the retrofitting of a bus has been paid for in that way.

MR. G. DUCHARME: The other question I have to the Minister is that, when the province is supplying buses to the different school divisions - and this has been going on for a great length of time, providing these buses at no cost to the school divisions. I believe that most of them are replacing them around 8 to 10 years. When they're allocating the buses, is there any consideration given to - I'm not going to get into manufactures; I'm going to get into motors - the motors that are provided in these school buses? Where I'm coming from is that, as we are probably aware, there are some companies that the gas mileage on some of the buses are quite a bit different than others. Is there this consideration taken when we're supplying the buses to what kind of motors they have in them?

HON. J. STORIE: Mr. Chairperson, all of those aspects of the motor, transmission, all of the rest of the mechanical aspects of the bus form part of the tender specifications. I assume that mileage - Mr. Chairperson,

the specifications would include of course engine size which, to some degree, is a determinant of miles per gallon, fuel consumption and so forth. But the engine size, along with everything else, is part of the specifications.

MR. G. DUCHARME: My only concern about engine size being the determining factor is that - and I know our Chairman probably knows, he's been on the farm and that - there are different products that will have the same engine size, and you can cut your gas mileage as much as 40 percent down. That's what my concern is as a member. I have never had that complaint thrown at me but I realize then, when we were purchasing for the City of Winnipeg, we had to look at the mileage as a result of these engine sizes.

HON. J. STORIE: Mr. Chairperson, the department has or is in the process of comparing the performance of various engines and consumptions. There are now 10 diesel buses operating - (Interjection) - 10 diesel and 10 propane. So we will be able to draw some comparisons about efficiency and so forth.

MR. G. DUCHARME: The reason why I made that comment, because I know there are some buses that are on the road that wouldn't make it to Portage and others that probably would. That's quite a difference, and that was my comment.

The only other thing I would like to go into on the transportation is that a concern of mine is that we know that the province probably, through the Estimates, has been engaged and is presently engaged in a great deal of capital expenditure on new buses in Manitoba. According to several people and including the former field officer for pupil transportation, who is now apparently leaving the Provincial Government and going back to the City of Winnipeg, confirmed that they spent - and we know through the Estimates - \$5.5 million last year and probably another \$6 million this year.

My concern as a member is that this is - and I'm not just picking on Ontario, but it's because there is such a large transportation system - in contrast to them, they've not budgeted anything in their budget for the last eight years in that particular expenditure. Could the expenditure - and I guess my question as an MLA - of \$5 million to \$7 million annually for the purchase of these school buses not be better utilized in other facets of education? I'm sure there are probably a lot of contractors prepared to shoulder this particular expenditure away from a capital outlay. If we compare for instance to Ontario, which is probably 12,000 buses and 644 of these are publicly owned, Manitoba on the other hand has about - you said 1,800 was the equipped - and my figures could be high. We've got almost 1,900 buses, and 1,500 or 1,700 of these are publicly owned.

The person who did this study in Ontario was a Mr. Hugh Gordon, a chartered accountant, and presently he is in charge of their transportation. He reasoned that, during their study, the Ontario Government in doing a study was more than convinced the private contractor was more capable of providing a cheaper, more efficient service than the public school divisions, and this decision has resulted in no capital outlay.

Could the Minister tell me whether our administration has done this type of a cost, and when I'm saying a

cost in comparison, taking in all costs, interest and everything. I was wondering whether they had done that. The Member for Roblin-Russell says he asked for it last year. Well, unfortunately I wasn't - maybe I should have been here, but I can't be at all committee meetings. I was wondering whether this type of study had been carried on.

Just to add to it, Mr. Minister, I know school divisions and I know the arguments were when I was on school division that they could probably operate cheaper than the private. However, we looked into our school division and we did a comparison. That's when we did a total study on our transportation. We even used the Transit Tom to provide bus tickets on people who were along the route, etc. I happened to be chairman of that committee, and we did the costs and we didn't come up with the particular figures that the public school system could operate cheaper.

I was just wondering. I'm not one way or the other, I'd just like to know whether that study had been done.

HON. J. STORIE: Mr. Chairperson, no, I don't think that study has been done. I think we did have this discussion last year and I had indicated that divisions were sufficiently satisfied with the system, not only satisfied. I think that an increasing number of divisions were moving to a public system.

I guess one issue is the cost, and I'm not sure that it's clear-cut. I look at the per pupil transportation costs of one system versus another, and they're all over the range. Depending in how efficiently you can develop your routes, you can lower your per pupil costs significantly. I guess it would depend on as well how competitive your tendering process for contract buses would be. In large urban areas where there may be several competitors, it may be of significant benefit. It may not work the same way in rural Manitoba, and I think it's important to note that all the buses or the vast majority, I should say, of our bus system operate in rural Manitoba.

The second thing of course is the issue of maintaining safety, maintaining the standards that are in place, enforcing regulations and so forth. I'm not sure the member is recommending that we go one way or another. There may in fact be capital cost savings and obviously some longer-term savings as a result of that. There may be additional per pupil costs, per pupil transported mile costs down the road. So I'm sure it's difficult to have any definitive answer on which one is more benefit in financial terms, let alone the question of maintaining the safety and being able to enforce the standards and so forth.

MR. G. DUCHARME: To the Minister, I guess my concern as an MLA and watching a system that I was involved in that of course probably down the road and as we get closer to supply in the school divisions - and what's happened in St. Vital is that you're supplying the school division with these particular buses. I know when I first joined the school division and got involved in the transportation, we had probably two or three private people tendering and of course as you go along, and if you get to only one tender, sure, you could say, well, we have no way of discovering whether the tendering system is working.

I guess what bothers me a little bit and I don't like to keep going back to the system of the City of Winnipeg because they do a lot of things that weren't by choice or that I really was in favour of, but they always kept a little bit of their tendering system in their own work and try to work one against the other, so that one would always keep the other one honest. The Member for Ellice, who is at the same table, knows that's the way we tried to do it. What really bothers me is, I know in my last tendering process in St. Vital that we found we were down to probably two people tendering because everybody is now getting out of the bus business across Manitoba and we can't seem to get that proper tendering that we used to be able to get. That bothers me, because I feel that when the public school system - and it's very, very simple - when they're not subject to the tender, when they're owning their own vehicles, they're not subject to the tendering negotiations. They don't have to negotiate.

If you ask me today what my opinion was, and I might as well be very honest with you, I'm more in favour of the tendering process. You asked me to lay the cards on the table, but I find that I know there that we did get involved in that, where all of a sudden we're down to the two people tendering, and how do we know whether they were true tenders or whether they got together. I have no way of knowing that.

The only thing that concerned me is that's quite a long time ago and I know St. Vital now is up to 30 buses. I know in the future they're going to come back to the school division asking for a maintenance garage. Then they're going to be coming back and it's going to be one thing leading to another. I know that some of their buses are being serviced by private companies, driven by private companies, only because they probably can stay away from a lot of the labour negotiations and staying away from some of the union costs. I know that they are being serviced by some and that bothers me. Hey, let's do one thing or the other.

But the only thing I had to say in closing is that - I refer back to Mr. Gordon again from Ontario and he discovered that even with the allowable tax break and cost production it was apparent that the public sector will continue to grow. I know not in Ontario, but I know in Manitoba, as well, its many associated costs unless some change takes place; in other words, that we do have a comparison way to compare private tendering to the public cost. The concern or disadvantage lies in the fact that the majority of these costs that I'm concerned about as an MLA will be incurred by the taxpayer and will be incurred through you setting your budget through the increased costs that I believe are going to occur with transportation.

The only reason why I brought these points up is because I felt that being involved in it at one time, knowing the difficulties they're in, in both the public and private, that I believe it is a concern and it's a concern to me as an MLA. I know it's a concern to you, Mr. Minister, that one has to keep the other honest and if we get right out of the tendering process, I don't think you're going to be able to establish that proper cost.

That's all I have to say.

HON. J. STORIE: Well, Mr. Chairperson, I want to assure the member I had no intention of getting right out of

the contract business. School divisions are making those choices on a yearly basis, by and large. The Member for Roblin-Russell raised this with me last year and I guess the range, the type of questions, didn't lead me to believe that he expected us to do that study formally. I had indicated to him that if I felt we could find divisions where we could compare the loaded, the weighted - pupils transported and the way that they were done, if we could find a division that was, in effect, a control to a division that had substantial contracts, we could make that analysis.

I think the member raises some interesting questions and they are certainly worthy of study. The staff have just provided some information that is interesting; I don't think refutes what the member says, but I think is interesting. If you looked, there are many divisions that division-owned transportation systems that have operating costs per loaded kilometres, substantially below those with contracts. Lakeshore School Division, 68 cents per loaded kilometre; Fort la Bosse 63; Antler River 58; Pembina 64; versus one division that's contracted at 75 cents. St. Vital, your school division, an example where it has some contract and some - the majority actually I guess - division-owned at \$1.64 per loaded kilometre. St. James School Division that has the majority contract, \$1.78 per loaded kilometre.

So, firstly, you've got the question of cost and that's a legitimate question. The other question, I guess, it's not only an actual question of safety, it's the perception that the public may have about the care and caution and equipment and maintenance upkeep that happens on a public system versus a contract system.

So I'm just saying there are two issues: one is cost, and the other is the question of safety. I think we all want to make sure that we're getting the best deal for the dollar that we spend. The question of safety is much harder to address and I'm not sure at this point that the public is ready to assume the risk of a massive change in favour of a contracted system. Having said that, I'm not opposed to undertaking this year to have Planning and Research review the issue of cost, division-owned versus contract, to see if we can come to grips and provide a more definitive answer on the relative cost benefits of one system versus the other. Then we will have to address the question of pupil safety in another manner.

MR. G. DUCHARME: Just one last comment to the Minister.

Any reading that I have done, there aren't any figures that will tell you public bus transportation. I hope you weren't implying that there were any stats that showed you public transportation to public was any safer than through the private, because there are no stats that imply that. There are stats that probably imply that even on their own some private people have probably brought in and instituted some further upgrades for their drivers, etc., along the way. They have done that.

I just hope you weren't implying that, Mr. Minister, because those factors aren't available right now. I'm sure, in your studies that they will be conducting, they will probably include that and I'm sure they will probably be, as you said, a basis to your decision.

I again want to re-emphasize that whenever we were doing any costs, you couldn't weigh costs of the

children's lives and we all agree with that. You couldn't weigh that at all. I've tried to have my words that there is my concern that if we keep these people honest, and I use that just as in phrasing . . .

HON. J. STORIE: Do you say they're dishonest now?

MR. G. DUCHARME: Oh, no, I am just using that as phrasing that even by the mileage that you gave, the cost per mile, does show you that maybe in some area, in some districts, because we do not have private tendering, maybe the costs will go higher. It might work in reverse somewhere else; we don't know that. So I think the study would be very, very good at this time.

Thank you.

MR. L. DERKACH: Mr. Chairman, I'd like to address one comment that was made by the Minister, and that was that the implication that there's a perception out there that the public system of transporting students is safer than the private system. All I can say to that is that there are no statistics to show that, to prove that or to even indicate that, and all that is is a figment of a socialistic imagination, if that's your perception of it.

I put that on the record and I'm not ashamed to do that because I think that the private system can be equally as safe as a public system, and there is nothing to show that it can't be.

Last year, I asked the Minister to provide a cost analysis of per pupil cost for public transportation as compared to private transportation in the province.

I specifically indicate that let's not compare apples to oranges when we do the study. Let's take a look at what it costs for the bus; what it costs for the personnel not only to drive the bus but to manage the bus; what it costs for garages, even though they're paid by local school divisions; what it costs to have the mechanics in those garages, supervisors in those garages; and the fact that when a school division does go for publicly-owned school buses, then there's also an additional staff required in the administrative office. So all those costs have to be taken into consideration when we're comparing a public transportation system with a private transportation system.

In addition to that, there has to be some costs incurred by the province because we have people like directors of transportation who are employed at the present time specifically to look after buses. So that cost has to be included in that.

When I take a look at the proposed regulations with regard to the eight-way lights, I have to go back to the time when I was a school board member and the regulations came out about 12-year buses not being allowed on the roads. In the interest of student safety, children's safety, I guess that may have been a good decision, and I guess there can be buses that are 12 years old that are as safe as 3-year-old buses, but there are features on the newer buses which the older buses did not have, the high seat backs, the lights, etc.; you can go on and on. Brake systems have been improved as well.

But at the time, the director of transportation for the province, I think, told members of the private school buses that if they were to buy buses that met the

specifications - that were under the 12-year system - they would never be asked to change anything on those buses as long as they owned them; so that when that bus became 12 years old, it would be replaced with a newer bus and they would never be asked to retrofit buses. This isn't that long ago, and already we're seeing regulations proposed that would require buses to be retrofitted with the different light system.

This poses a different problem as well. Not only is it a \$1,500 cost to the school bus owners, but once you put the eight-way lights on, there isn't room to put the proper lettering on between the lights on top of the bus. I know that concern has come to the department and I don't think there's been a response from some of the private-school bus owners in that respect, but that is one of the problems as well.

So I'm wondering how important the eight-way lights are in terms of safety as compared to the lights that some of the buses have presently, and whether or not the department would consider waiting till these buses are out of the system instead of asking owners to retrofit them?

HON. J. STORIE: Well, Mr. Chairperson, I know the member knows that the department doesn't sit around and make up these regulations just to be miserable. The standards come from a Canadian association - Standard Association or whatever it is - so I mean someone is saying this represents an improvement in safety for school buses.

I agree with the member. We have to be responsible in the way that these are implemented so that they have the least financial impact while making sure that the kids are safe.

I can't answer the question the member raises about how important are they; I just don't know. I assume someone out there, who is a safety engineer, is saying this makes the bus more visible, it's more likely that it will be seen. I don't know what criteria go into it.

As I say, the regulation has not come into effect at this point, and I have indicated I'm prepared to review it in terms of the whole range of safety issues that are being addressed through some regulation changes.

MR. L. DERKACH: Mr. Chairman, I guess I make the case for the private bus owners, or I try to make the case for them, because it appears that there has been a considerable amount of pressure on school divisions - and there aren't that many in number that have private school buses right now. In rural Manitoba there is one school division and that happens to be mine. And there is a considerable amount of pressure from the department to encourage school divisions to get rid of privately owned school buses and go to a public bus system.

I don't think that pressure is warranted. I don't think that's the responsibility of the department; nor is it of the personnel that are running the department. I've mentioned this to the Minister before that that pressure is out there to convince individual school board members, not even school boards as a whole, but there is an attempt to convince individuals within school boards to go for a public system, and that evidence has been there.

So when these regulations come in, I'm wondering whether they are designed to attempt to get rid of

private school bus owners and to support the public school bus transportation system rather than just a mere concept of making the school bus transportation safer.

I go back to about five years ago when we had a specification set by the department on brake drums. We had brake drums piled behind school bus depots that were as tall as the eaves on the garages. The department would not accept the manufacturer's specifications regarding brake drums. Finally, there has been a change after years of throwing away brake drums that were all right according to the manufacturer's specs. We finally have the department now accept the specs of the manufacturers on school bus brakes. And so I'm saying, I guess, we have to use a little bit of reason when we make regulations, and I would caution that with respect to this one, that there be some rationale given to the people who it's going to affect, because school bus drivers have already been notified that this regulation will be coming into effect, and in my division the school bus association has been notified.

HON. J. STORIE: Mr. Chairperson, I have some support for the member's comments that when you are making regulation changes that cost money, you have to be, I think, sympathetic to those who are going to face part of the impact, and I can assure you - and I have indicated previously - that we will be reviewing it.

I guess I could comment on the member's suggestion that there is a covert intent on the part of the department to promote - some people within the department - to promote the use of a public system. I think I indicated last year that they certainly had received no direction from myself or anybody else that I was aware of to do that, and that as far as I was concerned, it was out of line if in fact that was happening.

School divisions make the choice. They have tended to support a division-owned system for a lot of different reasons, I suspect, and we intend to respond to division requests where they come in; and, other than that, to ensure that whomever is providing the transportation meets the minimum requirements necessary for safe-people transportation.

I want to clear up one other suggestion on the part of the member that somehow my remarks about the perception that the public might have about the safety issue when it comes to private transportation of students that that was some kind of a foolish notion. I think that anytime when you have someone involved in an operation like transporting students for profit, there is a greater likelihood that safety will not always receive the same level of consideration that it should receive.

One only has to cite the example of air transportation, it comes to mind, where there are major concerns about some safety precautions of chartered air services, for example, where the safety standards that are required by the Department of Transport are not always followed.

So there is no intention to imply that it is necessarily safer, but I think the record is clear that there are circumstances in which the likelihood of maintaining safety standards is lessened in the contract situation.

The member is absolutely right that I am certainly not in possession of any solid statistics that would lead

me to believe, or that I could present to the member; I simply indicated that I felt that the public perception of the current division-owned, division-operated transportation system was such that any change to a contracted system would be perceived as perhaps endangering safety. If the member is so inclined to ask me to check that perception out, I would be more than happy to.

MR. L. DERKACH: Mr. Chairman, I won't dwell on that issue anymore. I'd like to move on to one other aspect of bus transportation. I want to put on the record that whether it's public transportation or private transportation, I am not so concerned whether we have one system or the other in place, or whether we have a combination of systems in place as long as school divisions across this province have the choice, and the free choice, of going whichever system that they choose.

But let's take a look at the cost involved. If there is any saving to be made on a province-wide scale, when we are spending \$5 million or \$6 million on buses annually from the taxpayers' pockets, and if you take a look at one division as compared to another, one that has private school buses and one that has public school buses, and you take a look at the amount of money you save in capital, because that school division has private buses, you can't tell me that there isn't a saving to the taxpayer. You can't tell me, you can't convince me that there isn't a saving to the taxpayer, because you don't have to have garages; you don't have to have capital, taxpayer capital money invested in school buses.

You can say, well, the other guy is doing it for profit; but I am sure that if you compare the figures - and we are doing it presently in my school division, and it is being done by an independent so that they won't have any vested interest in whether it's public or private - the figures that will come out will be very close to being the same in the end. There will probably be a saving to the taxpayer because the capital doesn't have to be expended.

There is also a request put in by, I think it was International Bus Company, to try out a diesel engine in school buses because there was a certain diesel engine that was quite efficient and would probably work well in school buses. Unfortunately, according to officials from International, that engine wasn't chosen to be the one that was going to be tried out; instead, another engine was chosen which was not suited to school buses and, according to the reports, it has not fared up as well as expected.

I am wondering why sometimes we have department personnel making choices where manufacturers may recommend one thing, suggest one thing, and for some reason department officials seem to feel that they know better and want to go a different route.

HON. J. STORIE: Well, if the member can give me some further details, I would be more than happy to pursue that.

MR. L. DERKACH: I would be happy to do that on an individual basis.

HON. J. STORIE: That's fine. I've indicated that we are testing both diesel and propane engines, so if you

will give me that on some other basis, I'll pursue it, and wood-burning buses.

MR. L. DERKACH: Thank you.

MR. C. BIRT: Mr. Chairman, I would like to get into another area, but just before I do, I believe it's Monday we are going to be looking at capital to the school divisions, and the Minister announced recently a \$60 million or \$80 million construction program spread over three years; and last year he gave us a list, I think, of the last two or three years.

I am wondering; could he give us a list of those schools that will be done this year, next year and the year following? That's for Monday, so perhaps if we could get it by Friday so that we could look at it.

HON. J. STORIE: Mr. Chairperson, I will attempt to get a list of the projects that have been approved by the Public Schools Finance Board, and approved to the capital process available.

MR. C. BIRT: Okay, thank you.

Mr. Minister, because it's appearing here, I would like to deal with the home schooling. I don't know whether it's under this, but apparently it would appear from the Annual Report.

There's an indication in the report that there was a change to The Public Schools Act to allow the education of children at home because of illness, distance or other acceptable causes. But what has happened not only in Manitoba, but I believe in North America, at least - other parts of Canada and the United States - is there has been a growing trend towards home education for a variety of reasons. I don't wish to deal with the individuals' reasons for doing it; they may be legitimate; they may be responding to some situations that they feel are wrong, and this is the only way they can deal with it. They may be for religious reasons, whatever.

The concern I have is, because reports seem to be developing that often when they start the home educational program, in two, three, four, five years, the children end up going back to the public school system or alternatively just drop off the end. They don't finish anything.

Two areas of concern, one is those who come back into the public school system are often probably not up to standards. Their skills perhaps have not reached the level that they should be, given their age, in the area that they should be qualified in. Often, they're put into a public system that either they're put back grades or they are put into a classroom situation where they're really not adequate to cope. This causes problems for the child or children coming in, but also those who are in the surrounding classroom with them. The other area is, if they don't come back at all, they seem to disappear and perhaps go into the world with not too many skills. The report indicates that there are about 160 children in the '85-86 year coming from 116 families.

I guess the concern that I have is: Is the department doing anything to monitor to see if this system of home education should be changed, curtailed or perhaps greater supervision be implemented? It's the whole issue. I don't know whether or not it should continue, but what's coming out of it seems to be causing some

problems for not only the kids who have gone through it, but society. I'm just wondering, is the department doing anything with it.

HON. J. STORIE: Mr. Chairperson, this issue has been raised more recently by superintendents in school divisions than in the past, more often raised by school divisions. The numbers for this year probably were closer to 190, but it seems that there are so many circumstances surrounding a decision to home school that it fluctuates. I understand from staff that approximately 50 percent over the last few months of people who were looking at home schooling for next year have decided not to continue with it.

I think it is important that we, along with school divisions, establish some policy for dealing with parents who aren't satisfied in one way or another with the school system. My understanding is that the majority of decisions that are finally made to move out of the system revolve around incidents at school, confusion, concern over a teacher, a program. Very often, if the right process is followed, those concerns can be allayed and home schooling doesn't occur.

I've had meetings with all of the major groups, teachers and superintendents, and discussed, I guess, an approach that I would like to take to home schooling. Along with that, I've met with at least three separate representative groups from home-schooling associations, people who claim to speak for a significant group of people doing home schooling. I think I've raised many of the issues that you've raised and that have been raised to me about the necessity of tracking, the necessity of providing parents with feedback about the progress of their children in the home-schooling process, along with the question of how you reintegrate.

Staff have just met with the superintendents, a regional meeting of the Superintendents' Association, to discuss readmission policies. We intend to implement some changes, regulation changes, to make it clearer how parents get involved in home schooling, making sure the divisions are aware within their own boundaries of how many students are home schooling, as well as we're intending on establishing a process for monitoring more closely the progress of students and monitoring, I hope, in a positive sense.

I think parents who take on the responsibility of home schooling have to recognize that it's an onerous responsibility. They can fail their child or children miserably in that process. What we want to do is to make sure (a) that children aren't failed, that the children don't suffer as a result of it, so that they have some feedback from some independent source about how well or how adequately they're doing. We have another motive and that is that, if they should decide to reintroduce the student to the public school system, the student can cope at an appropriate level.

Some preliminary discussion about what means we might use to do that testing - and that seems to be an area where there's going to be some contention. But hopefully, we can address that by: (a) making sure the school divisions in the department understand the process for identifying home-schooling students; (b) that we can agree on a process for assessments of the student's progress; and (c) we can agree on a readmissions or reintegration process, should that happen.

MR. C. BIRT: Mr. Chairman, there are some legitimate reasons why children should be kept home, illness or whatever, and the Minister then addressed another variety, a local problem of a temporary nature perhaps that can be resolved. Those probably can be resolved more by the question of counselling in a very broad sense, depending on what the particular problem is, as long as there is that communication. I guess it puts an onus on the school division to really go out and say, why are you really doing home schooling. Are you telling me the truth, or is there another story?

I guess the area that concerns me - and I'm pleased to hear that the Minister and the department is at least considering it - is the question of either monitoring or testing to make sure that, even though they are being taught at home, they are meeting certain basic standards. I guess the tough nut that will have to be broken or twisted or whatever is when the child starts failing.

To my way of thinking then, is it the home or the State that must take precedent here because there are, I know, philosophical arguments as to who is responsible for education, the primary person. Is it the family or is it the State?

I don't want to get into that, but I guess the two things that I would caution the Minister on, and I would think there would have to be - perhaps, you know, when you finally get down to the real difficult nub of the problem - is that there should be some mechanism to say that the child is not meeting the standards that you are trying to as a parent provide him. Therefore, you've either got to improve them in a short time or it goes back into the system; in other words, there is some form of compulsory thing.

But the other thing is that the system, whether it be the local school division or the department, doesn't get into the point where they're educating or funding, you know, providing resources to the home front to reinforce it. Now it may sound silly but, once you get them there and you start monitoring them, little things come along. So I would just caution the Minister and the department that we don't get ourselves into that sort of situation, because I think at the moment it should be treated as something very rare. It shouldn't be a norm, though I've been informed that in some states, there is a fairly large albeit small population who believe in home schooling. I think that's again a different situation entirely.

HON. J. STORIE: I think I agree with much that the member has said. In my meetings with the groups that represent home schoolers, I have indicated quite clearly to them that, in the final analysis, the most difficult decision that we would have to make, that the department would have to make would be to withdraw the child from the home-schooling situation. I think that we have to have that right, and I said we can all foresee circumstances where the situation is untenable and deteriorating and that decision would have to be made. There was no disagreement that those decisions should be made, and that the department should reserve that right.

I think the first course of action, of course, would be to try and remedy the situation to improve the level of instruction or whatever without getting drawn into

an assistance program for home-schoolers. We have tried to be as helpful as we can without encouraging the practice, if I can put it that way. I think that it's a parental right, recognized in The Public Schools Act, under certain circumstances and our obligation is to make sure that as a result of that, the student doesn't suffer, and if there is any indication that the student is suffering, then we're obliged I feel to act in the student's best interests.

MR. L. DERKACH: In respect to the home schooling, Mr. Chairman, are there any specific guidelines as to the programs that have to be followed by parents who keep their children at home, and are those children still under the jurisdiction academically of the superintendent of schools within the division?

HON. J. STORIE: Mr. Chairperson, as the member knows, the department is the one that provides authority to home school, and that's why there is that need to coordinate because in some instances there was no reporting to the department that the division was aware. Basically my intention is to have the requirement that the parent notify, at a minimum - that's the obligation - the division because the division is responsible for ensuring that all students, in effect, are at school. If the department gives authority to home schools, then it is our responsibility to monitor and to do the testing, and that's the current practice.

MR. L. DERKACH: Mr. Minister, I'm sure that you have had some reports from school divisions where children have been kept out of school for one or two years, and then have come back into the school system; the parent demanding that that child be placed into a classroom that's appropriate for that child-aged level, but unfortunately, because of the skills that have been missed - and they're not just academic skills we're speaking about here, Mr. Minister - we're talking about academic skills, we're talking about the social skills, the child has trouble adjusting to a school environment after that child has been away for two years. There are all sorts of problems that come into play, resulting in that child not being able to function at perhaps the expectations that the parent has for that child.

This results in some stresses between not only the child and the other students, it appears, but also between the school and the parent. I can point to several incidents where there have been major confrontations between parents and teachers because the teachers and the school authorities have tested the children and find that they just cannot function in a classroom that is being expected by the parent.

All of this has resulted not because the school has inappropriately placed the child, but because parents have not lived up to the commitment of providing that child with the academic needs that child needs. I'm not saying this happens in every case, but in the cases that I'm aware of. We have, in one school division, I would say, 15 children who are being kept out of school and are being home schooled, some of whom have already returned and have experienced some problems. But, as I say, it doesn't happen in every case, but in many of the cases there is a problem and I think that has to be addressed.

HON. J. STORIE: Mr. Chairperson, there is no doubt that can be a problem and I don't think it's in the majority of cases. I think, by and large, the motivation for home schooling is quite honourable, the intent. The problem is that it's an onerous obligation, and it's difficult to appreciate how difficult it is until you've tried it.

What I've said in my earlier remarks is that we want to provide an indication to parents of how they're doing. I mean obviously that's an encouragement for them to improve their practices, to do a better job. It's also a means of the department and ourselves being assured that progress is being made, and if a tough decision has to be made, hopefully it will be made before they get so far behind that those kinds of problems occur at the school. How often and how regularly, and what testing needs to be done or should be done or is appropriate I guess is something we'll have to work out. But I agree that we need to be intervening in a timely way to say there's a problem and progress isn't being made. We've got to do something different.

MR. L. DERKACH: Does the department work through the school divisions when they make their assessment on those home-school children, or do they operate as an independent, outside the school division and the school division personnel?

HON. J. STORIE: Currently the testing is done independently. I expect that because of the nature of home schooling itself, the way in which it occurs, that we will likely be responsible into the future for the testing and the monitoring. I'm told that the information is made available to the school, however.

MR. L. DERKACH: You see, Mr. Minister, this is where we run into problems again. Because although a test may indicate that child is doing well on a home-school basis, the parent then makes the choice to send the child to school. Based on that single test that has been conducted by the department, that parent insists that a child be placed into a certain grade level. But after a month or so of education, the school authorities find, in some instances, that a child can't function in that grade level because some of the skills have not been taught and have not been achieved by the child. It is very difficult for that administration or the teacher to start changing the school environment for that child, because the parent then has the tool of the assessment that's been done on that child by the department.

I'm not saying the department is wrong; what I'm saying is that there isn't a long enough period of observation by the department of an individual child to do a proper assessment in an environment where the child is functioning with a group of other students.

HON. J. STORIE: Well, I think I'd be the first to agree that assessment, good assessment, is not a science. It is difficult to make exact assessments, because there are so many other factors besides academic skill that go into ensuring that one can cope with the school system. Obviously schools face those problems when they transfer students from other jurisdictions, from other divisions, from other provinces. It's always been a battle.

As a teacher, I'm certainly aware of students coming into my classroom from other jurisdictions, who were not functioning at what I consider to be an appropriate grade level, and then the school division personnel are always faced with the uncomfortable task of saying we think this is an appropriate grade level. That's going to happen perhaps with home schooling; it's going to happen still with people transferring in from school to school.

MR. L. DERKACH: My question to the Minister with regard to the reasons for taking children out of school and home schooling them, are there guidelines that have been set down by the department which would restrict or have some parameters set as to when parents can take children out of school for home schooling and under what conditions?

HON. J. STORIE: Mr. Chairperson, I think that the conditions are set out in The Public Schools Act, perhaps as clearly as you can do it. There are issues of conscience, a broad range, which may be viewed as legitimate. It's a difficult balance between the rights of parents and the obligations of the public school system in determining what's in the public good.

I have said that I think my direction is to provide the necessary support and controls, while not encouraging, and I think that's about as far as I'd want to go.

MR. L. DERKACH: I think there has to be one aspect of home schooling addressed, and that is when that child or children are returned to the school system. I think that there have to be some clear guidelines set as to who has authority over where that child will be placed and the recourse a parent has, because a parent should be allowed to at least make submission to a school as to where they feel a child should be placed. I don't think it should go so far as to have a competition kind of situation between those parents who want to return their children to the school system and the school.

HON. J. STORIE: Well, I would agree that we wouldn't want to see confrontation on those issues, but I think it's fairly clear that the school division has the responsibility of deciding student placement, grade placement. My hope would be that, if we see those kinds of transfers in from the home-schooling setting, the assessment and the information that's available based on the student's records are sufficient to assist the school in the appropriate placement. But I don't think it would be up to the department or the parents to make the final decision; it's up to the school division. We would have to support them in that decision.

MR. C. BIRT: Mr. Chairman, I would like to ask some questions on this particular book. It's more the dollars and cents, some of the comments that are contained in it.

But before I get into the specific questions dealing with Administration and Finance. There are increases and decreases. The question I have is, I believe, that the current Civil Service contract expires September of this year, sometime this year. Is there any provision in these Estimates for any wage increases for this fiscal

year? If there are any raises given or anything done from that point of view, will it be added in later on?

HON. J. STORIE: Mr. Chairperson, I think it's safe to say that what is known is shown in the Estimates.

MR. C. BIRT: So if a collective agreement was signed to say that everyone got a 5 percent increase, then that would be added in at a later time. Is that . . .

HON. J. STORIE: I think that it would be safe to say, if there was a 5 percent increase or a 5 percent decrease, that would be an adjustment that would take place later.

MR. C. BIRT: Thank you.

Going to page 25 of the Supplementary Estimates, just looking at Salaries for Managerial, Professional and Administrative, there's a decrease of some \$10,000 or \$11,000 in Managerial and Professional. Yet, there's an increase of \$11,000 in the Administrative Support. You've got constant dollars, and you've got constant SY's. Why the change? I want to know what manager took a \$2,000 raise (sic) so the Administrative Support staff could get an \$11,000 raise.

HON. J. STORIE: You're looking at him.

MR. C. BIRT: I knew he was independently wealthy, but I didn't realize he was that wealthy.

HON. J. STORIE: The reduction, Mr. Chairperson, is as a result of the assumption of the Deputy Minister's position by Dr. Nicholls. I presume that's because of starting at the bottom of the scale.

MR. C. BIRT: What then has led to the increase in the administrative support? Is it again just salary adjustments, natural increases over the year, like they use to be 5 percent - merit raises, I guess is what you use to call them.

HON. J. STORIE: Yes, the member's assumption is correct.

MR. C. BIRT: Mr. Chairman, going down to Other Expenditures, again the sum is constant, yet there's a wide range. For example, transportation increases \$12,000. What are we doing this year that's different than last year that causes us almost, well, a two-and-a-half times increase in the transportation budget?

HON. J. STORIE: I think that reflects my own travel. I have travelled and intend to travel extensively throughout the province. I have made that a practice the previous year, and I intend to keep it up.

MR. C. BIRT: Where does the Minister's hotel bill surface then, if you're travelling so much?

HON. J. STORIE: I always travel back to the city. I sleep in my car.

MR. C. BIRT: That explains the stooped figure.

There's a reduction - it says, "Other Operating" - of \$16,000, and it would appear that there's just been some shifting of funds internally to accommodate the Minister's new-found freedom to travel the Province of Manitoba. What is, as a result, taking a reduction of some \$16,000 to accommodate the Minister's travels through Manitoba?

HON. J. STORIE: Mr. Chairperson, I understand that the majority of the reduction in that area is because of changes that have been made to document tracking systems.

I want to reference the member's, "my new-found freedom." I have made a practice of travelling in every ministry. I find the people of Manitoba appreciate it, the fact that you make yourself accessible and that you're out there to listen. I find that it's beneficial in terms of my own education, if you will. I think that the people in rural Manitoba have as much a right to see a Minister of the Crown and their representative as anybody else, and I make no apologies for the fact that I travel.

MR. C. BIRT: The Minister, I think, may be misconstruing it. As I understand it, the staff want him to leave so that they can run the department without him being present.

But perhaps he could explain the saving on document tracking. What is document tracking, and how did you get a saving of some \$16,000.00?

HON. J. STORIE: Mr. Chairperson, the document tracking refers to the systems in the office which can track the thousands and thousands of documents that the department receives on a monthly basis. We have changed systems, and now are using the services of the University of Manitoba which are substantially less expensive.

MR. C. BIRT: I'm turning the page to, I guess it's, 27. There's an increase in Managerial of \$5,000, but Professional/Technical of some \$29,000.00. What was the increase for?

HON. J. STORIE: I'm sorry, would the member repeat that question?

MR. C. BIRT: Okay, on page 27, when you look at the Salaries section at the top, the Managerial is increased by \$5,000 approximately and the Professional/Technical is increased by \$29,000.00. What has caused the increase?

HON. J. STORIE: The normal salary increases for the first question; and the second, Mr. Chairperson, again GSI and other increases, general salary increases and other increases.

MR. C. BIRT: Thank you.

There is a reduction in supplies and services of some \$24,000.00. Does it relate to this reduced access to FOCUS? Is this the change in the computer system about the document tracking that the Minister was referring to a moment ago, or is it something different? If it is, what does it mean?

HON. J. STORIE: It refers back to the information management systems.

MR. C. BIRT: FOCUS was the old system, and now you're using this university system and, as a result, there is a saving?

HON. J. STORIE: The new system's called IMS, the university system.

MR. C. BIRT: But the simple fact is that this reflects a saving in the computer costs. Is that correct?

HON. J. STORIE: Yes.

MR. C. BIRT: Okay, then if you look at the bottom of page 1 where the FOCUS point is, it says it ". . . includes public polling and supports French language research and evaluation related activities." Now, I'm interested in the public polling. Does it mean that the department is carrying on public polling?

HON. J. STORIE: Mr. Chairperson, I think the answer is yes. I don't think there's any public polling to be done. There is none planned for the current year.

And the support to French language research, basically that's eliminating the special projects for - (Interjection)- Just a minute, I just . . .

MR. C. BIRT: Mr. Chairman, maybe you could get information about this, then next time we meet we could go over it. If the polling relates to something last year, maybe you could show me what it was and then you could also pull out this other stuff and we can look at it at that time.

HON. J. STORIE: Okay.

MR. C. BIRT: Mr. Chairman, if we turn the page, dealing with page 28, I guess it's the Personnel Services Branch. In the Activity Identification, one says affirmative action, and I'd like to ask a couple of questions in this area.

As I recall, last year, I think the Minister indicated that there was one person or maybe it was just a half-person within the department who was responsible for affirmative action within the department. What is the status of that person or half-person today? Have they been elevated? Is it still just one person? Could the Minister advise me as to what's happening with the affirmative action in the department?

HON. J. STORIE: The Affirmative Action Program also includes something called CAMEO in the department, a related program. I think we talked about that as well last year. CAMEO refers to the Career Advancement Manitoba Education Opportunities. There are three people involved in that who have moved from secretarial to administrative positions.

There are two people who currently have responsibility for affirmative action in the department; both of them have other responsibilities. It's basically half-time each. One is the affirmative action coordinator and also assistant director of the branch. The other one is the personnel assistant and responsible for the CAMEO Program. So those two people coordinate the activities within the department.

MR. C. BIRT: I think I asked this question last year but while we're on it I just want to make sure that I've got it covered. This relates to the Civil Service MGEA blueprint that had been drawn up and these people implement the overall, shall we call it, government policy that's been negotiated with MGEA. Is that correct?

HON. J. STORIE: That would be part of their responsibility. The CAMEO and others are also departmental-initiated programs, so we're certainly involved in any of the programs that run through the trust fund that was implemented by the MGEA and the government, but we have our own internal plan as well.

MR. C. BIRT: Mr. Chairman, the CAMEO project really is an upgrading program - is it? - to give people in the lower-paying jobs skills to move up. Is that correct?

HON. J. STORIE: Yes.

MR. C. BIRT: Okay.

How much money has been allocated to the CAMEO Program, or is it just a question of man hours being put in, or is there some financial cost to it? If so, what is the amount?

HON. J. STORIE: Mr. Chairperson, there is a small operating budget of \$5,000, basically I assume for information dissemination and that kind of thing. The rest of it is simply staff time in organizing.

MR. C. BIRT: Mr. Chairman, I find it surprising that we would just have two people dealing with affirmative action within the department. It's a fairly large department. I'm not talking outside the department, but within the department. Why is that? Is it that you haven't got to an implement stage, or do you feel that this is sufficient, that you can now handle the program?

HON. J. STORIE: Mr. Chairperson, I think it should be recognized that this is solely for the department, which is only a small portion in terms of staff, the smallest portion. The community colleges each have their own affirmative action plan. The universities have their affirmative action plans. So we're talking about, I believe - so it's fairly small in numbers for the department.

MR. C. BIRT: Mr. Chairman, is there an affirmative action program or policy or discussions being carried on with the school divisions from the department? I know that when the Affirmative Action Program was announced, certain criteria were laid out with government, and then you would move into the universities and hospitals and things like this. I can't recall whether or not school divisions were mentioned on it. If they were, they were much further down the way in the sense that they would be receiving public funds.

Is this the area that would be developing affirmative action or discussing with school divisions Affirmative Action Programs?

HON. J. STORIE: Mr. Chairperson, there have been no formal discussions between the department certainly and school divisions in terms of affirmative action.

I guess, in terms of policy, we would certainly like to see school divisions develop affirmative action policies, but that's within their own domain. They have responsibility for hiring personnel management.

The member may be referring to the pay equity issue. The pay equity issue, there have been, I believe, discussions between the pay equity coordinator - I'm not sure whether that's the official title - but representatives from the Pay Equity Bureau and school divisions, sort of outlining the process and starting discussions, familiarizing school division personnel with the concept. But that's dealt with again through the Department of Labour and the pay equity coordinator, or whatever the official title is.

MR. C. BIRT: I'm looking to page 29, especially in Salaries, there's a some \$22,000 increase. I take it that's just the normal merit pay increases. Is that all it's relating to?

HON. J. STORIE: Yes.

MR. C. BIRT: Yes?

HON. J. STORIE: Yes, due to salary cost adjustments and other costs, including overtime.

MR. C. BIRT: Going to page 33, which is Financial Services and, if you look at Salaries, there are increases of \$58,000, \$33,000 and \$39,000.00. Now granted, two positions have been transferred in and I believe one has been eliminated, but why that large increase? That would seem to be more than just two positions while you're into three categories, so why? You've got almost about \$150,000 there in increases.

HON. J. STORIE: The one increase in staff because of the reduction - the reduction was a lower-level position. The increase there is some \$60,000, because of the difference between the two staff who were added and the staff who left, then some \$53,000 for regular increases and other.

MR. C. BIRT: The two positions that were moved in, using the three categories there, was one Managerial and one Professional/Technical?

HON. J. STORIE: One of each, Mr. Chairperson.

MR. C. BIRT: Mr. Chairman, going to the next page, 35, I guess it is, a reduction of \$17,000 in the Professional/Technical thing, but it shows going from four SY's to two SY's; \$17,000 seems to be an awfully small reduction for the elimination of two positions. Could you explain that?

HON. J. STORIE: The member may have noted the contradiction that the note at the bottom of the page indicates the elimination of a media specialist. That actually should have been a three and not a four. You will notice that there are six staff years. One and three and two equal six, not one and four and two, so that was a typographical error. The reduction is just one staff.

MR. C. BIRT: Is it vacant?

HON. J. STORIE: Mr. Chairperson, it was a term position.

MR. C. BIRT: Is the cost of the production of this report, which is the annual report, contained in the Other Expenditures in this particular page? If it is, could you tell me what the cost is of producing this report?

HON. J. STORIE: It would be under Printing, and it would probably be in the range of between \$2,000 and \$3,000.00.

MR. C. BIRT: Mr. Chairman, what is the distribution list? How many copies are made and who gets them? I don't want an itemized account. Are a dozen made and handed out to the Legislature, or do we get 200 or 300 made and where do they all go, sort of?

HON. J. STORIE: Mr. Chairperson, there are approximately 1,200 printed. The school libraries, school divisions receive copies of the annual report, and then obviously organizations to which we have some connection.

MR. C. BIRT: Is the Minister saying that some 1,200 are published and distributed for a cost of \$2,000 to \$3,000, roughly \$1.50 per copy? Is that roughly what the cost is coming in? It's an approximation.

HON. J. STORIE: We can confirm the numbers, but we're in the ballpark.

MR. C. BIRT: It just seemed to me surprising you could produce an annual report for about \$1.50-\$1.75 of this quality. That's why I seemed curious.

HON. J. STORIE: Well, thank you.

MR. C. BIRT: Mr. Chairman, going to page 39, which is the Administrative and Teacher Certification Services, there was a transfer of two positions out of here. Oh, I see. Okay, I've got them, and that just explains then the reduction of \$64,000 in that particular item, which is Professional and Technical. I presume, even with the elimination of the two positions and the decrease of \$64,000, there still would be some salary increase in there, would there not? In other words, two positions didn't amount to \$64,000.00.

HON. J. STORIE: Mr. Chairperson, the transfers represent a saving of approximately \$85,000, \$84,700.00.

MR. C. BIRT: Mr. Chairman, if we go down to Other Expenditures, it says Professional Fees showing \$17,200 last year down to \$3,600.00. What did we do last year that we're not doing this year?

HON. J. STORIE: Quite a few things, as it turns out. There have been reductions in expenditures related to pupil transportation, elimination of items from stockroom and changes in function, discontinued update service of special school sets for school divisions, delayed some computer purchases and . . .

MR. C. BIRT: That's in a general sense, and I can appreciate it. I was going to ask those, but it's the Professional Fees that I'm really . . .

HON. J. STORIE: The fees relate to the 75-day provisions. We had people who were retiring some three years ago and we had given them, to support them, contracts to do work for the department for a 75-day period over the year. Those have concluded.

MR. C. BIRT: So these are really like employment contracts. I don't mean that in the wrong sense, but they reflect contracts of employment as consultants or professionals, whatever you want.

HON. J. STORIE: Yes.

MR. C. BIRT: Okay.

Then if I could just go back then to page 35, there was a similar reduction in professional fees in Communications from \$8,000 down to \$2,100.00. Again, why the reduction?

HON. J. STORIE: Yes, essentially the same thing, Mr. Chairperson. The department did use contract writers and that simply has been reduced.

MR. C. BIRT: Well, the contract writers, what were they working on? What was their contract for?

HON. J. STORIE: Mr. Chairperson, there were a couple of note: One set was brochures for parents relating to early years education; the second one was the parental information on the Family Life Education Program, so those kinds of things or there may have been other smaller contracts.

MR. C. BIRT: Mr. Chairman, just subject to the one question where the Minister was going to pull some stuff out for later, I am prepared to pass 1.(b) through to (g).

MR. CHAIRMAN: You're passing all of current operating expenditures, except the Minister's Salary, I take it. Is that right?

MR. C. BIRT: That's right.

MR. CHAIRMAN: We'll come back to that at the end?

MR. C. BIRT: That's right.

MR. CHAIRMAN: Okay, so we're now on section 2.

MR. C. BIRT: 1.(b)—pass, isn't that how you do it?

MR. CHAIRMAN: Oh, I'm sorry.
1.(b)(1) to 1.(g)(2), inclusive, were each read and passed.

MR. C. BIRT: Mr. Chairman, perhaps we could call it six o'clock?

MR. CHAIRMAN: Is it the will of the committee to call it six o'clock?

HON. J. STORIE: Call it six.

MR. CHAIRMAN: Committee rise.

SUPPLY - NATURAL RESOURCES

MR. CHAIRMAN, C. Santos: Committee, please come to order. We are proceeding to Item No. 6, Lands, 6.(a)(1) Administration: Salaries; 6.(a)(2) Other Expenditures. The Honourable Minister.

HON. L. HARAPIAK: Just a brief comment, Mr. Chairman, before I introduce another staff member who has joined us. We do have some information that was requested yesterday regarding Parks, and we can distribute that at end of the sitting today.

To my immediate right is Bob Winstone, who is the Director of the Crown Lands Branch of our department.

MR. CHAIRMAN: The Honourable Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, I wonder if the Minister could indicate whether there's any change in policy regarding the sale of Crown lands over the past year.

HON. L. HARAPIAK: Mr. Chairman, there is no change other than the area that I indicated last night when we were talking about Parks, that there was some consideration now of a policy to deal with the sale of recreational Crown lands, but that is still in the development stage. So the policies as they are in place now have not changed.

MR. A. DRIEDGER: Mr. Chairman, I wonder if the Minister could indicate the time element involved from the time that an individual makes an application for Crown land until it is processed. I realize part of this - and I'm also referring to agricultural Crown lands. But the process seems to take an exceptionally long time, from the time that individual makes an application.

I've had a number of inquiries about it that people have made an inquiry a long time ago. What I basically want to know from the Minister is why does it have to take such a long time until the process can be completed?

HON. L. HARAPIAK: Mr. Chairman, I would hope that the only item that would be demanding of time would be the necessity to circulate other departments. Before we dispose of some Crown land, we have to circulate other departments to see whether there is an interest in it for some Crown use, whether that might be one of the utilities might have an interest in the resource. It could be for wildlife habitat, it could be for forestry. So there is the need to circulate other departments to see whether there is an interest in that property.

MR. A. DRIEDGER: Mr. Chairman, to the Minister, I'm wondering if there is some way that could be expedited to some degree, realizing that the departments have to have a look at it, but seemingly it takes an awful long time until that response comes back and, as a result, we have a lot of frustrations out there where

individuals have made that decision to purchase or make an application for purchase, do their financial arrangements and then they end up sometimes from six months to almost a year, according to the Crown Lands people themselves, until that purchase can actually be completed. Certainly, there is no necessity for that length of time to be involved.

HON. L. HARAPIAK: Mr. Chairman, I would always want to explore possibilities for shortening the process. Perhaps as we adapt the new technology and are able to move information more quickly from branch to branch, perhaps it can be shortened.

But I want to point out that there are many of these now, despite the number of departments that they have to go through, will be dealt with in the period of a couple of months. But where there are some complicating factors, such as having a piece of property removed from a water power reserve, there are steps that have to be followed there, and it can become quite extended. I appreciate what the member is saying.

MR. A. DRIEDGER: Mr. Chairman, to the Minister, I hope he takes that into consideration and maybe has a look to see whether it can be moved a little faster. If the information gets sent out to the various departments, two months sounds much more reasonable than what is happening right now. If that could be encouraged, I think it would make it a lot simpler for many people who make applications.

I want to raise a question with the Minister, in view of the position that has been taken by the Minister of Highways and Transportation regarding local government districts, where the budgets have been cut down and a lot of them are faced with anywhere from 50 percent to 80 percent of the land within the LGD as Crown lands. With the concern that the LGD's have expressed, in terms of being able to provide services, where they service a lot of the Crown lands, actually by building roads and drains to some degree, and with the pressure that they have on them now, is the Minister considering working together with the Minister of Highways and Transportation and the Minister of Municipal Affairs to see whether these LGD's could consider getting a grant in lieu of taxes for the Crown lands which they service?

HON. L. HARAPIAK: Mr. Chairman, I might want to seek more specific information from the member, but I am just recalling my own experiences as a farmer, wherein I was leasing agricultural Crown land and taxes were levied on those properties.

I'm advised that within a municipal jurisdiction where the Crown lands are leased, they are subjected to taxation. But when they are removed from that particular use, there is then some provision for grants in lieu of taxes. I might ask the member to be more specific.

MR. A. DRIEDGER: Mr. Chairman, to the Minister, I also have some agricultural-leased Crown lands that pay a grant in lieu of taxes, plus whatever fee you have to pay. I'm not referring to those kinds of land. I'm talking of Crown lands that are not leased. I'm talking of Crown lands that are owned by the province and that nobody has a lease on. There's a lot of that land

still around, if you have some of the hay leases and forage leases, etc. But there's a lot of land that is not being leased at all, that belongs to the province, and I'm asking whether some consideration will be given in terms of giving a grant in lieu of taxes, which to me would seem fair, because these lands are serviced, directly or indirectly, by the LGD's. Because of the financial squeeze that they're in, that is why I'm bringing forward this suggestion.

I want to indicate to the Minister that the Local Government District Councils, I believe 11 of them that have been getting together, are going to be bringing forward that kind of a request. I'm just wondering whether the Minister would consider just looking at the possibility of taking that position.

HON. L. HARAPIAK: Mr. Chairman, I would like to suggest that would be more appropriately addressed to Municipal Affairs. I do not claim to have the understanding of municipal budgets and the implications of transferring, but I think certainly a submission to the Municipal Affairs would ensure that it got a fair hearing.

MR. A. DRIEDGER: Mr. Chairman, why I raise it for this Minister is because I think this Minister, as well as the Minister of Municipal Affairs and the Minister of Highways and Transportation, would all possibly be involved in that kind of a decision. So I just want to raise it with the Minister because that pressure will be coming down, and I certainly support that kind of concept, I think in all fairness to the low tax base that many of these LGD's operate under, and still trying to provide the kind of service that is, I think, warranted and necessary.

Mr. Chairman, I want to continue on under our program here, under Lands. Wild rice is one of the latter ones, and I'll leave that to the last.

But I'd like to bring up the area of Indian land claims with the Minister, and I wonder if he could give us an update as to where the negotiations are at on a general scale. There is an agreement apparently, and I'm wondering if the Minister could indicate the lands that have been designated. Where are we at with this whole agreement?

HON. L. HARAPIAK: Mr. Chairman, I guess there are two fronts on which there is activity in this respect. There is the Northern Flood Agreement, and then there are the questions of treaty land entitlement as well. The Department of Natural Resources is a delivery agency, if you like. We are responsible for Crown lands and, when those lands are identified, we will work with the parties involved to see whether those lands can be made available. But we, Mr. Chairman, are really just a delivery agency in the process, both of the Northern Flood Agreement and treaty land entitlement.

MR. A. DRIEDGER: Mr. Chairman, I wonder if the Minister could indicate why this is taking exceedingly long. Many of these agreements apparently have been signed or initialled, and it seems to be a very slow process. I expect the Minister will again tell me it's because every department and every utility has to have their crack at it. But certainly, it seems in this area too

that the process is very, very slow and seemingly very frustrating.

There's a lot of concern out there in the general public in terms of exactly the lands that have been designated. The Minister says he's only the final authority in terms of doing the transfers. We realize that to some degree, but he has a role to play in this matter, and I'm wondering whether there are ways that these things can be brought forward to the public's view, in terms of lands that have been designated. Is there a map or something that could be submitted so that we can have a look and see which areas are being affected?

HON. L. HARAPIAK: I sense that there are two points that the member raises. One is on the pace at which the process is proceeding, the other is communication with others who would want to have some input on this matter.

There are maps available. We would be quite prepared to table the maps where hold areas have been established for the parties to the agreement. Now these are not areas which are designated to be transferred, but areas from which their land selections will be made. A part of the time-consuming process is that the parties involved in land selection are needing considerable time as well to select the lands that they see, particularly under the Flood Agreement, as being a fair settlement to the agreement.

Beyond that point, in terms of the process of actual interaction between the parties to the agreement, I think that would more appropriately be dealt with by the Minister of Northern Affairs.

I want to indicate to the member opposite and to anyone else that, in terms of identifying these lands, we do have to take into account third-party interests. So where there isn't already some designated use for a particular piece of property and that particular site as well is seen to be of interest in fulfilling the requirements of the Northern Flood Agreement, as an example, there would be the requirement to take into account those third-party interests.

Complicating that, I'm sure the Member for Emerson and certainly the Member for Arthur would be aware that the Northern Flood Agreement covers the bands in those areas, but there is a concern as well on the part of some of the non-status communities that were excluded from that.

So it is really a very complex and difficult process and one that I think will take some time to resolve yet, but clearly, I think we have a process in place. It is moving in the right direction. I would agree with the Member for Arthur that if the process could be accelerated I think it would help to alleviate some of the frustration that is being experienced.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Thank you, Mr. Chairman.

I first of all want to put on the record that it's nice to have a Minister who's quite a bit more cooperative than either the Minister of Northern Affairs or the Premier. This is the first time that we've had a Minister indicate that he would provide the maps as far as the land claims are concerned, and I would ask that the

Minister proceed to do so very quickly. They are ready; they are available. Those maps I think are extremely important to not only the people through the Crown lands connection but any private landholdings, the identification of any lands that are part of the agreement.

You know, prior to the First Ministers' Conference on the Native self-governing question, the Premier was all anxious to indicate there was an initial agreement between all the parties involved and that things were progressing quite well. To follow up on that, we get exactly the opposite story from the Minister of Northern Affairs. But today we've finally, I think, made some headway with the Minister of Natural Resources indicating that there are maps, there are lands identified - and yes, he's quite correct - there are third parties that are involved either through long-term lease of Crown lands, but more importantly, people who have private landholdings who could be affected.

Those maps are essential, and that's why we would like to have them tabled as quickly as possible, so that an assessment can not only be made by this Legislature but those people who are third-party affected. It's unfortunate that the Minister of Northern Affairs again continues to sit on information that's extremely important to the people of Manitoba. I would recommend again to him that a cooperative way of doing things is far better than to try and continue to cover up. I would hope that he's learned a lesson here, that he sees a Minister that's cooperating, but I'm not going to get too complimentary until I see the maps. I think that the Minister has indicated that he's going to provide them. We would like to see them as quickly as possible, so that the general public can have that question put to mind as to what lands are being negotiated.

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

HON. E. HARPER: I'd like to put on record and clarify the member's comments. The question that he raised in the House was maps dealing with treaty land entitlement selections. What the Minister is referring to is the Northern Flood Committee hold areas and the land selections. Those are two distinct areas and, in terms of the land selection of treaty land entitlement, there are no maps available.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, I'll ask the Minister of Natural Resources if in fact that is the case. Are the only maps that he's referring to the settlements dealing with the hydro projects, or are there no Crown lands involved in the treaty land settlements? Are there no Crown lands being identified for the purpose of the treaty settlements? Is that correct?

HON. L. HARAPIAK: Yes, Mr. Chairman, the Minister of Northern Affairs is correct in stating that clarification, that the hold areas are with respect to the Northern Flood Agreement. But in terms of lands identified for treaty land entitlement, there are quantities, and I think there are figures being calculated. But in terms of a

map, to say that there is a map and these lands are identified for treaty land entitlement, no, there are no maps for that purpose.

MR. J. DOWNEY: Maybe the Minister could clarify on page 35 of the Natural Resources Annual Report. They aren't specifically relating to flood agreements; they are saying "Indian Land Claims," and there are substantial acreages.

Is he saying that this has nothing to do - or is this totally the flood agreement due to the flooding of hydro, or is it in fact the treaty land claims that are being negotiated, or is it a combination of both? They are substantial acreages when you look at 31,000 acres and 11,000 acres.

I ask the Minister: What is he referring to in his report dealing with Indian land claims on page 35?

HON. L. HARAPIAK: Mr. Chairman, I have just confirmed with staff here that the illustration on page 35 of the last annual report identifies the amounts that are required for fulfillment of the treaty land entitlement but, in terms of being able to look at a map and say this is a hold area for the treaty land entitlement, it is not on the map in that respect.

We are aware of numbers, and it is an ongoing process to determine the amount that is involved. But we could not produce a map which would indicate that these are, for example, hold areas for treaty land entitlement, where we could produce a map to indicate the hold areas for the northern flooding.

MR. J. DOWNEY: Even though, Mr. Chairman, they've got specific acreages, is the Minister saying that there aren't any maps relating to the Indian land claims as in reference to page 35 of the Natural Resources Report, that there aren't any maps pointing out the acreage even though we've got Orders-in-Council identifying? There must be some agreed.

There are four categories in fact. You've got what they call P.C. Order and you've got O/C's, which identifies a fairly substantial number of acres, those Surveyed and those Under Negotiation.

Is he saying that Fox Lake, Fairford, Chemawawin and War Lake - that concludes them under O/C's - and yet there are three - York Factory, Gods River and Little Grand Rapids - that have been surveyed, and he's saying that there is no map?

How can they survey, Mr. Chairman, when there is no map? There has to be a map of what they have identified here on these first eight. What the Minister of Northern Affairs is telling us is that there isn't any identification or any maps. The Minister of Natural Resources is now having to own up that there must be some mapping done, and that's what we want to see.

We want him to tell us the truth as to what maps and what lands are identified both on the Crown and private. This is the opportunity for him to disclose what in fact the state of the agreement is at and the maps that are available.

HON. L. HARAPIAK: The whole truth and nothing but the truth.

What I indicated, Mr. Chairman, is that there were no hold areas for the treaty land entitlement in

anticipation of those that had yet to be fulfilled. But clearly, as the Member for Arthur points out, those that have been surveyed and where Orders-in-Council and the Privy Council Orders have been issued, yes, those would be on the map, but there is not a hold area in anticipation of those that are yet under negotiation. That is the only distinction that I would want to make.

MR. CHAIRMAN: The Minister of Northern Affairs.

HON. E. HARPER: Yes, I'd like to tell my honourable friend, those are land exchanges; they are not land claims, Sir. They are land exchanges between bands. One is Little Grand Rapids, which provides land to make it a reserve in Paungassi - those have been done - War Lake, the same thing; Gods River, the same thing. Land was provided to Gods River, because they had no land to make it a reserve, so they requested land from the original band, Gods Lake Narrows, to exchange in land. The Gods Lake Narrows asked for a land exchange. So they're not treaty land entitlement per se, but just exchanges of land.

MR. CHAIRMAN: The Honourable Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, I think I was too quick to compliment the Minister of Natural Resources on the information he's providing, and now it appears as if we have him hedging and we're having the Minister of Northern Affairs doing a lot of hedging.

It says in the book, "Indian Land Claims," and I accept the Minister's comments that I may be a little bit wrong in the terminology or not quite clear on it. But let me tell you, that's what this committee is supposed to do is clear up the matters and, to date, it's becoming more confusing with the answers from two Ministers.

I asked that the Minister, when he's tabling the maps, that he table these maps as well, with a clear explanation as to the relationship with both Native land claims, Indian land claims, which come under treaty rights, and also the Northern Flood Agreement maps. We want a specific set of maps and identifications that go with them.

I still don't accept totally that there isn't an identifiable map already drawn by the government as to the lands that are going to be negotiated, future lands. The First Minister in this Assembly said that they had identified it, and there was an initial agreement. There has to be something that's identified, Mr. Chairman. How could they proceed without it?

I think we're not getting the full story from the government on how they're dealing with the land of the people of Manitoba, whether it be Crown or private, when it comes to both the Native land claims under treaty rights and also the Northern Flood Agreement, and we want to know. It's only proper that they give full disclosure of negotiations and the lands affected.

That's why it's imperative that the Minister of Natural Resources - he can't sit back as the Minister of Natural Resources and say that he is not an intricate part of it. He is the Minister who's ultimately responsible for what happens to Crown lands. He can't sit back and say he doesn't want to be involved or it's somebody else making the decision. He better be prepared to sit in and make decisions and defend the department which

he is a part of; that's his responsibility. He is charged with that through a Cabinet document when he took on the responsibility.

That's why it's important that he give us the maps and identify the properties that are being part of all negotiations on behalf of the government on either the flood agreement or the Native land claims under their treaty rights.

HON. L. HARAPIAK: Mr. Chairman, clearly, we will provide the information that we have, as I've indicated, in terms of the hold areas and other information with respect to those where lands have been identified and, in some cases, transferred apart from the treaty land entitlement but under some other arrangements or obligations.

I want be sure that there is no doubt on the record that I am part of this process. What I was not wanting to indicate, and I want to clear up now, I don't want to be apart from the process. But on the other hand, I, as the Minister of Natural Resources, and our department are not lead agencies in the discussion. So, clearly, we recognize what our role is and, within that mandate, we will be involved, but we are not the lead agency in the process of determining those settlements.

MR. J. DOWNEY: Mr. Chairman, I have another area in Crown Lands that I'd like to ask a question on. My colleague may have a question dealing with land claims, and I'll yield the floor to him if he has. Otherwise, I'll deal with another area of Crown Lands.

I'll yield the floor to my colleague from Emerson.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, just one comment, I think the Member for Arthur has illustrated some of the concern, the fact that there's doubt out there. Not knowing is the biggest problem that people have right now. I think everybody is aware that the Indian land claims are being dealt with, and there's been speculation, a lot of it probably unwarranted, but there is that speculation out there. I would encourage the Minister to forward whatever information he has, so that we can have a look at it and work together with the government in terms of letting the people know what is happening out there, so there isn't that animosity and concern and doubt building up all the time.

So just in conclusion with the Indian land claims, I just want to indicate, if the Minister I think could give us that undertaking that he would forward whatever he has in terms of maps and identifications, if he could give us that undertaking, then we'd be prepared to just leave the Indian land claims area alone for the time.

HON. L. HARAPIAK: Mr. Chairman, I think it's important to note that we recognize the whole question of land claims, whether flowing out of the Northern Flood Agreement or other arrangements, is a very complicated and sensitive process. It is complicated and sensitive for all parties involved. It is sensitive to the people of the North, many of whom in the case of the Northern Flood Agreement saw the lands where their traditional

use was eliminated by way of flooding. We have to be sensitive to those needs. As well, there is a genuine concern on others to know what will be the impact of those settlements on their use of the land.

So, I think what we want to have is a process wherein there is good communication, where we do not foster the uncertainty. And certainly, I didn't sense that there was any animosity. The Member for Emerson suggested that there was animosity. I'm not sure, I am not sure where that animosity exists. I do recognize that there is some degree of impatience and uncertainty on the part of people involved in the process, but I do not sense that there is any animosity. In fact, if there was any indication that was so, I think we should all work cooperatively to address that very quickly so that there was a clear understanding. If the process that we've undertaken here today can help to alleviate that, I think it would be very useful.

MR. J. DOWNEY: Dealing with another area in Crown Lands, this was one that's been a concern for the people who are renting land from the province, using it for agricultural purposes. The Minister, being a person who, I would think, would have an understanding of the sensitivities of the agriculture community and the concerns with their livestock when they put them on Crown lands, and the need to provide some opportunity for the livestock person or those people in agriculture who are using Crown land under a lease, what is this Minister of Natural Resources' position, coming from an area that has considerable Crown land in his riding, considerable people who are leasing it and depending on it, when it comes to the protection of their property through the posting of land or treating it so that people, before they go in and hunt when there's livestock on it, get permission or they get some assurance that they are allowed to protect their livelihood and their product or their commodity that's on that particular piece of ground?

What is the Minister's position on that? Does he take an open-minded position or is it pretty well closed that it's Crown land, and the farmer can go to the devil and not to worry about him. I really would like to know what the Minister's position is on that particular issue.

HON. L. HARAPIAK: Let me say at the outset, I would never suggest that the farmer go in the direction commented on by the Member for Arthur. I have a great deal of respect for those who work on the land to use it, in the case that we're dealing with, Crown lands, primarily for dealing with livestock, for pasturing of livestock. But I recognize as well that the leases, as they are cast now, provide for the use of that land for that purpose, for grazing or for forage.

I have had meetings with the Manitoba Cattle Producers' Association along with the Manitoba Wildlife Federation to see what kinds of opportunities there would be to bring the people together, because what we are really dealing with there is a question of the hunters - and in many cases, in most cases, it would be hunters - but others who simply want to have access to the land, saying that it's Crown land, those who would want to have that access, and the farmer, on the other hand, having a very legitimate concern that he or she should not be unduly at risk, or their livestock

should not be at risk, and there should be some process of communication.

Actually, we had a very good meeting between the Manitoba Wildlife Federation, at which the cattle producers were present, and they indicated a willingness to work together to see if there could be some kind of cooperation and communication between the leaseholders and those who would want to access those lands for hunting purposes. I am confident that some kind of an arrangement can be made to satisfy the interests of those who would want to access that land and those who would want to see that their herds of livestock are not put unduly at risk.

MR. J. DOWNEY: Well, Mr. Chairman, one can clearly pick up from the Minister's response that there's absolutely no leadership coming from the Minister of Natural Resources in this regard. It's a matter of bringing them together to let them discuss, and he doesn't have any recommendations, comments or anything else.

It is his role as Minister to step out once in awhile and show a little bit of leadership and not to continually hide under the umbrella of trying to make people come together in a conciliatory manner. It's all very good and well to do that and I think it has to be done and in such a manner, but he has to have a position on it. At least, one would expect him to take a position and show some leadership.

Mr. Chairman, there's another area and I would ask - and I know there are some difficulties when it comes to the shared responsibility of the administration of Crown lands between two departments. It falls within this Minister's jurisdiction for the ultimate and overall control, but there is a shared responsibility when it comes to the agricultural administration.

Would the Minister of Natural Resources think it fair or would he support or does he and his department support the allocating of a lease to an individual, whether it be for cutting of wood or for agricultural purposes, when in fact it isn't clear, it hasn't been spelled out or isn't clear as to whether or not that individual has access to it? What is his position basically on making sure that, when you lease a piece of property to a farmer or to somebody who wants to use that, they have in fact clear access to it? Is he prepared to, on behalf of people who lease it and he takes money from or the department takes money from, either his department or Agriculture, make sure that those people who are paying for the lease, that they have access to it? I mean, what good is it to the person who he's leasing it to if they can't get to the property, whether it be for hay, pasture or for other purposes? Could he state his position on that, Mr. Chairman?

HON. L. HARAPIAK: Mr. Chairman, I want to go back to the item that the member first raised on the access to Crown land. I find myself in this position, as we are so often in Natural Resources found to be in a position between competing users of resources, and I think the Member for Arthur would recognize that. Clearly, what we are doing in the case of allocating Crown land for agricultural purposes - and that, I should point out, is not administered directly by us; it is administered by the Department of Agriculture, but nonetheless it's Crown land.

So in dealing with those Crown lands, they are there for a specific purpose, but there are many others who want to have access to Crown land for other purposes. And it is not only for hunting. I've had instances where there has been competing use where there was Crown land allocated for pasture purposes. Somebody also wanted to harvest some of the wood, firewood off that site. That's correct.

So can we accommodate those? The farmer who had the livestock on there said, I have no problem with the person coming on to harvest wood, but after I've removed the livestock, and the same is true in any of my discussions with those who have agricultural leases and the competing users are hunters. It is not as though they want to deny the hunters access to the land but they would say, give them access in a way which does not put our livestock at risk and that causes uncertainty for us.

So I think clearly, there can be an accommodation of competing users for the land base. I don't think that we have to say that, because it is available for a Crown grazing lease, there shall be no other activity on that. There shall be no hunting on that, there shall be no berry picking, no mushroom picking, no skiing, no photography. I think we can look at arrangements wherein different uses can be accommodated, Mr. Chairman.

What was the other point? -(Interjection)- Yes, on the access. I guess the difficulty that exists there is that, if somebody wants to lease a piece of property, are they prepared to pay a lease on the basis of its capacity for, let's say, pasturing, or should they pay a lease on the basis of both the capacity and the cost of providing them access? I think to this point what we have been saying, we have priced the lease on the basis of the particular activity. But if there is a need to guarantee access, which the member is suggesting, that would have to be built into the costs of these, which is really a cost to the taxpayers of Manitoba because all of the activity that we are involved in in government really is funded by tax dollars or fees for land use.

So if the Member for Arthur is suggesting that in providing a lease on a piece of property, if we were to guarantee access to it, the question that I would raise then is who should fund that?

MR. CHAIRMAN: The Member for Springfield.

MR. G. ROCH: Thank you, Mr. Chairman.

I have some questions to the Minister in regard to private landholders in parks. I understand there are different categories which have been set up, each assessed a different fee. The problem with that basically is with Category 2 in which they are charged, I believe, \$100.00. It's a category referred to as limited service. The problem is that those areas are inaccessible by roads. Therefore, they do not in fact have any services. They have no hydro power, no telephones, no garbage pickup, none of the other services which would normally be accessible. Why then are these people being charged a service fee, when in fact they are unable to get services?

HON. L. HARAPIAK: Mr. Chairman, I guess at the outset I would want to point out that, if a particular user felt

that he or she was in the wrong category, they should draw that to our attention and we could review that. But even in the remote locations where there is not a direct service in the sense that there is no garbage pickup, for example, there is still a cost to the department to provide that in terms of, let's say, fire protection. There is a benefit to the individual from some of the other services that are provided in a general way.

So we feel that it is not unreasonable, even where there is, as the member identified, limited service, that there should be some fee. But if in a particular case the landowner feels that there is some question of being in the appropriate category, let's review that because, just taking that further, I want to point out that though a road might not go specifically to the site held, there are probably roads in the region that the individual would use to get near the site.

There is a question of the ranger service, as I said, for fire protection. I think there are legitimate costs associated even with those remote usages, and there should be some charge.

MR. G. ROCH: It's actually a group of people, and I could use as one example - there are many different cases - the Red Rock Lake area, which the only way they can have access to, I understand, is by boat. You mentioned the fire protection. Apparently, their only way of fire protection, they are the first line of defence. They have their own volunteer group with its own water pumps and hoses and other related equipment. As far as the other general services, it seems that anybody who pays a \$10 permit has the same access to those services. I think the preference of those people would be to be able to pay the full fee as in Category 3 and get all the services as Category 3. I don't think it's so much the amount that they pay as to what kind of services they are getting.

HON. L. HARAPIAK: Mr. Chairman, I guess the problem that we face and anyone would face in this situation is to try to, rather than - you can't price the service to each and every individual user. You have to develop categories of users and therefore, if you develop categories, there is going to be some question as to whether that is the appropriate category. I suppose it might be said that for some it will be more appropriate than for others.

But if what the member is saying, that for the remote locations we should then provide that same level of service that we are able to provide in those less remote and more densely populated regions, the cost would obviously have to escalate. Now if the occupants of parks are telling us that that should be so, I would take advice, but what I was hearing from the Member for Charleswood yesterday is that we should not lump the users, that we should, in fact, segregate the users. The cottagers in that particular instance, he felt perhaps, were paying an excessive portion of the cost. So I would seek advice.

MR. G. ROCH: I don't think that anybody wants the fees to go up unless they have to but, if they are not able to get the same services as the others, if by paying a higher fee, they would still not be able to get the

same services, that possibly they should not be paying any fee or a much lesser fee because, right now, there's only a \$25 difference between Category 2 and Category 3, and yet those in Category 2 haven't anywhere near the services of Category 3.

HON. L. HARAPIAK: Mr. Chairman, I have that listing of fees here, and Category 1, which is the isolated, is priced at \$120; Category 2, limited services, \$145; Category 3, the service is \$170; and Category 4, where there's special service, it goes up to \$255; and Grand Beach townsite, there is a charge of \$195; and then Category 6, those lots which are within another taxing jurisdiction, there is no charge because they are already charged by that jurisdiction.

MR. G. ROCH: The way I understand it is that, at present, anyone who pays a \$10 permit can go into the park and get all these same services. Is that correct? I'm referring to those who are not . . .

HON. L. HARAPIAK: Mr. Chairman, I'm assuming what the member is saying, that would be in a day use area where somebody would camp at a camping site for a day and the fee would be \$10 or it ranges, depending on the level of service.

MR. G. ROCH: A casual visitor.

HON. L. HARAPIAK: A casual visitor? It could be as low as \$3 for day use in the parks. That would be the charge there.

MR. G. ROCH: Apparently, that's what these landholders used to pay before these service charges came into effect. They paid a \$10 fee and they had essentially the same services as they now get for paying \$100 or whatever the new rates are - \$140, I believe.

I have one more question. This authority was given to Natural Resources, I believe, by Order-in-Council. Does it need to be ratified by the Legislature to give it full force and effect of the law?

HON. L. HARAPIAK: Mr. Chairman, on the matter of fees, the Order-in-Council gives it full effect.

MR. G. ROCH: As I understand it, subsection (j) authorizes fees for permits, leases, licences, certificates, authorizations and rentals. But the question is: Does this particular fee, which is a service charge fee, I suppose, or a service fee, does it fall into any of those categories? If so, which one?

HON. L. HARAPIAK: Mr. Chairman, I'm assuming that the member is restricting his questioning to those private lands within parks. The authority would be within The Parks Act. I can't, as I stand here, give him the specific location, the specific section, but I could have that reviewed and brought back to him. But clearly, the authority is within The Parks Act to levy those fees.

MR. G. ROCH: . . . (inaudible) . . .

HON. L. HARAPIAK: Mr. Chairman, what I would suggest is that we would take note of that and get

back specifically to the member, to tell him specifically where in the act that authority is and under what category. I don't have a copy of the act here with me and I wouldn't pretend to be able to find it, if I did have the act.

MR. G. ROCH: Okay. Am I to assume then that for those people who are in categories - well, shall we say they're not satisfied. Is there any avenue for them to appeal, or is there basically not going to be any change to the existing regulations?

HON. L. HARAPIAK: Mr. Chairman, I am advised by staff that there have been a number of cases where individuals have communicated to the Director of Parks, and these have been resolved. If they didn't get resolution to their problem there, beyond that, I suppose they could go to the Minister, although I wouldn't encourage anyone to bypass the process that is working well, and that is speaking to the Director of Parks.

There are other opportunities such as contacting a member of the Opposition and using the political process, but I think the process within the department works very effectively in resolving those problems.

MR. G. ROCH: . . . (inaudible) . . . didn't resolve itself there, he can go right to the Minister.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, I just have a few questions on the wild rice, to the Minister, in this section and then we can maybe move on.

I note with interest that the licences issued from 1983, there were 194; in '84, there were 341; and in '85, there were 446. Can the Minister explain the increase in these licences and who obtained them? And I would like to ask him whether there is a possibility to break them down. Were these all Native people who received the licences? Is there a differential? I wonder if I could have a breakdown on the major increase because it's more than doubled.

HON. L. HARAPIAK: Yes, Mr. Chairman, clearly the growth area, if you like, in wild rice is in the North. So I'm not sure if that is the kind of a breakdown or whether it was a geographic breakdown that the member was looking for, or a breakdown by other categories.

But clearly in the North, in The Pas area, for example, there's a very active group. As you move down from that area, the area near Lake Winnipegosis there is some experimenting with it - it is very much at an experimental stage - where they are test-seeding some of the areas to look at developing this resource. But the growth, as I said initially, is in the north part of the province.

MR. A. DRIEDGER: I note with interest, Mr. Chairman, to the Minister, that we had a substantial increase in licences, and yield was down actually from '84. I'm basing it on the report that I have in front of me, page 34. If there's any specific reason when you have such a major increase in licence applications or licences that have been issued, and there must be a lot of guys getting awfully lean and hungry out there.

HON. L. HARAPIAK: Mr. Chairman, from what we hear from the producers and those with an interest, they are very keen on the future of the wild rice industry. As the member points out, there was a slight decline in 1985, but our preliminary figures for 1986 indicate that there was a good harvest. The level of harvest depends, as with most agricultural production, on weather conditions and one of the other factors that influences price in particular is the international market, as it does with our cereal grains. Rice production is coming in from the U.S. from paddies, the very significant production in California. That does have an impact on the price that they will receive for their product.

We feel and the producers feel that the product that is produced in Manitoba, in fact the rice from Northern Manitoba is considered to be the premium quality of wild rice. So we are confident that though there may be a little bit of a decline in the market price, that the quality of the product produced here, in Manitoba, will see that they have a fair share of that market.

MR. CHAIRMAN: 6.(a)(1) to 6.(e)(2), inclusive, were each read and passed.

Resolution 123: Resolved that there be granted to Her Majesty a sum not exceeding \$1,966,900 for Natural Resources, Lands, for the fiscal year ending the 31st day of March, 1988—pass.

Item No. 7. Forestry, 7.(a)(1) Administration Salaries: 7.(a)(2) Other Expenditures; 7.(a)(3) Grant Assistance. The Honourable Minister.

HON. L. HARAPIAK: Perhaps as the staff in Forestry are coming in, I would just like to point out that I do have this information to be tabled to share with the member opposite on the operation of the International Peace Garden, the cost and use data on Moose Lake, Lynch Point and Norquay Provincial Recreation Parks is here. We have the information on Falcon Lake for the trailer village campground electrification program. That is provided as well. We have the statistics on the Mantario wilderness zone on the utilization of the hiking trail. And we have as well, the fee schedule for different parks users. So I would have that for the member.

Mr. Chairman, if I could just introduce a staff member who was not part of this process earlier this year. We have Geoff Munro who is the chief of forest protection. Of course earlier the members were introduced to Rich Goulden who is the Acting Assistant Deputy.

MR. A. DRIEDGER: Mr. Chairman, to the Minister, earlier in my comments somewhere, I raised the income under Forestry. Under the budgetary details of the revenue Estimates, on page 5, we have under forestry an increase of \$1 million which is at least a 33 percent increase, I believe, in revenue under Forestry. I'm wondering if the Minister could clarify where that is from.

HON. L. HARAPIAK: I wonder if I could seek clarification from the member. Is he speaking of an increase in revenue, and is that out of the annual report?

MR. A. DRIEDGER: For clarification, under the detailed Estimates of Revenue of the Province of Manitoba for

the fiscal year ending March 31, 1988, under page 5, under Forestry, there is an increase from \$2.6 million to \$3.6 million. I wonder if the Minister could clarify where that is from.

HON. L. HARAPIAK: Mr. Chairman, I'm wondering if we are going to complicate this process by going into revenue items at this time. It's a review of expenditures and we are getting into revenue, and there are some questions related, particularly in the Forestry section, to the issues to offset the 15 percent export duties. I'm not sure that we want to get into those discussions at this time, but I seek advice from the Chair as to whether we should be venturing into the area on revenue or restricting our discussions to expenditures.

MR. A. DRIEDGER: Mr. Chairman, no, no. I feel that this is the area where it has to be discussed. We're into Forestry. That's where there has been an increase of \$1 million, and I want to know where that is from, no deferral of discussion on that. I raised it sooner, and he indicated under Forestry is where we'd be discussing that. That's where I want to deal with it now, because that's a substantial increase of approximately 33 percent, and I want to know where that is from.

HON. L. HARAPIAK: Mr. Chairman, as the member is aware, there was a 15 percent countervail duty imposed by the Federal Government to deal with the question of softwood lumber going into the U.S. and the concerns raised by the industry in the U.S. as to whether there was an unfair competitive advantage from the Canadian softwood lumber industry. They did resolve the issue on a temporary basis by imposing a 15 percent export duty, where the product would be taxed at the point of leaving the province. The advantage of that approach was that the funding would stay in Canada, as opposed to it being tied on as a duty in the States.

We, in a few meetings with the Federal Ministers of Forestry and the Minister who is responsible for that agreement, the Federal Minister of Trade, Pat Carney, were advised that the Federal Government would have this in place only as a temporary measure, and it was their expectation that provinces would develop what are referred to as replacement measures. If in fact, there were some measures implemented by provinces which would be the equivalent of the 15 percent export charge on the softwood lumber, then the U.S. would allow that product to move into the U.S. without the 15 percent export duty.

We have had several meetings with the Canadian Council of Forest Ministers, because what happened at the federal level, the Trade Minister said, we will turn this over to the Forest, it's really a Forestry issue. We'll turn it over to the Canadian Council of Forest Ministers, which is the association of provincial Ministers responsible for Forestry. She said, if you can develop some measures to implement these replacement charges, we will leave that responsibility with you.

There have been several meetings already, and the next meeting that we have will be here in Winnipeg on the 1st of June. It is at that time that we hope that we will be able to come to some agreement as provinces for the implementation of replacement measures. You see, we are obligated by way of the direction from the

Federal Minister to do something to replace the 15 percent tax.

We made suggestions at some point that, well, why don't we just leave the 15 percent export tax on the softwood lumber in place and not consider replacement measures. The Federal Minister indicated that was not acceptable to her, that we would be obligated to develop some replacement measures. As I said, in order to be able to deal with those, we have to consider some kinds of internal measures as a charge to the industry which would offset what the Federal Government has imposed as a 15 percent export tax on the softwood lumber.

MR. A. DRIEDGER: Mr. Chairman, I'm trying to understand the process that the Minister is explaining. I don't know whether I necessarily understand it. That still does not just clarify to me where that extra \$1 million of revenue comes from. Is that federal money that the Minister is talking about? Is this federal money that has been given to the Forestry Department, or where does that money come from? A 33.3 percent increase in revenues from Forestry, you know, that is what I'm trying to establish, where is that funding coming from? The Minister has explained about the problems that the Federal Government has with the import-export duties, etc., etc., but that doesn't justify, in my mind at least - or maybe I don't understand what he's saying in terms of where that extra million comes from.

HON. L. HARAPIAK: Mr. Chairman, the 15 percent export tax on softwood lumber is estimated to generate about \$1.5 million. The Federal Government collects it, and it flows back to the province. But the Federal Government has indicated that they do not want to see that measure stay in place, that they expect us to do something to replace that.

So, we are very small players in the export market. The direction, the resolution of this issue will be determined pretty much by the four large players: B.C., Alberta, Ontario and Quebec. We will participate in that process and it may be then, when we come to the point where the Federal Government says we are no longer prepared to charge the 15 percent export tax and you, as a province, have to implement some replacement measures, that we would have to look at some charges to the industry to offset that.

MR. A. DRIEDGER: Well, Mr. Chairman, I'm getting more confused all the time here. Is the Minister indicating that the \$1 million increase - and he made reference to \$1.5 million - which the Federal Government has collected and turned over to the province. Do I understand that right? I'm trying to establish - the Minister indicated that the 15 percent, which the Federal Government has collected as a duty - where has that gone to? That's my question.

Now I have two questions. I want to know where the \$1 million came from in extra revenue, and what happened to the \$1.5 million. I know that stumpage has increased, so the revenue technically should have increased, but the \$1 million, which is 33 percent, obviously is not an increase on stumpage.

HON. L. HARAPIAK: Mr. Chairman, any flow of tax revenue to the province would not appear in the

Department of Natural Resources, but would appear in the Department of Finance. But given the directions we had, which indicated that it is the expectation that would terminate at the 1st of July, then we are obligated to build into our Estimates some replacement measure.

This amount is built in, in anticipation, along with a few other items that make that total, but a component of that is to provide for some form of replacement measures when the federal 15 percent export tax has to be replaced. Clearly, the direction from the Federal Minister responsible is that her wish is to have that replaced by the 1st of July.

MR. A. DRIEDGER: Mr. Chairman, I am still trying to really understand this situation, and the Minister is not really explaining where this extra million is coming from. That is my question; it has been my question from the start.

He is explaining some of the difficulties and the problems with the import-export duty and the collection of 15 percent duty that has been collected, and that there's \$1.5 million that - you know, he talks replacement or whatever the case may be. But that's why I ask whether this \$1 million, is that from the federal coffers. Is that a federal transfer? If not, then it must be coming from somewhere else, like somewhere that revenue is coming from. Is it coming from the Jobs Fund? Where is this money coming from? Is it coming from stumpage? Somewhere this \$1 million revenue has to be generated from.

HON. L. HARAPIAK: Mr. Chairman, we are just doing a total of those figures here. We're breaking out the different categories. If they would just give us a minute, we'll have a total for it.

MR. A. DRIEDGER: Mr. Chairman, to the Minister, while his staff is doing those calculations, could the Minister then go back and explain the \$1.5 million that he was talking about, which he raised, which was part of the federal 15 percent duty that was imposed on the lumber. Has that come into the province as revenue, that 15 percent?

HON. L. HARAPIAK: Yes, Mr. Chairman, the agreement between the Federal Government and the provinces, when the 15 percent export tax on the softwood lumber was imposed, was that those revenues collected on softwood lumber flowing from the province would be returned to the province. But it does not come to Natural Resources; it is revenue to the Treasury of the province and it was estimated on an annual basis. If that was in place for a year, the total amount there would be \$1.5 million. But, of course, that is only an estimate.

MR. A. DRIEDGER: Mr. Chairman, if for a full year the province had benefited from the 15 percent duty that was imposed by the Federal Government, and for Manitoba's portion of the timber that was exported, if it had been on for a full year, the province would have had a revenue of \$1.5 million from the Federal Government into the general coffers. Am I correct? But this is not going on for a full year, so that would only be a proportion of that. Am I correct in that? Or are we still speculating that it will be on for a year and that the revenue will be 1.5 million?

HON. L. HARAPIAK: The Member for Emerson points out rightly some of the difficulty in dealing with this, because I think the target is to have this replaced by the 1st of July. But given what we have seen out of the discussions, to this date there is still a lot of uncertainty surrounding this. So I can't say with any degree of certainty that it will, in fact, be eliminated by the 1st of July, but that was the target date for its removal, set by the Federal Minister.

MR. A. DRIEDGER: Mr. Chairman, so that potentially by the duty that is imposed and by the revenue that is received by the province, the province gains by this imposition of this duty, approximately could gain \$1.5 million in added revenue for the year, through the forestry end of it, through the export market. Am I correct?

HON. L. HARAPIAK: Yes, Mr. Chairman, I want to point out just one clarification for the member.

It is not a charge that the province imposed; it is a federal export charge. But there is an agreement that the funds will flow -(Interjection)- that's right, the taxes imposed by the Federal Government are transferred to the province. If it is in place for a year then, in fact, the total amount could be as high as 1.5 but that, of course, would depend on market conditions, and we have seen somewhat of a downturn in the U.S. market conditions. There is less lumber moving than there was earlier when the market was quite buoyant, but that was the projection, yes.

MR. A. DRIEDGER: I wonder if the Minister now has a breakdown of the increase of \$1 million in revenue in Forestry, which is a 33 per cent increase of costs.

HON. L. HARAPIAK: Yes, I have a breakdown of those. Now, Mr. Chairman, it is estimated that there would be an increase of some \$60,000 from the sale of timber permits; an increase of \$190,000 from timber sales, \$200,000 increase in the agreements flowing from the two major operators in the province, that being Abitibi Price and Manfor. Then we've allowed within that, assuming that we would have to put in some replacement measures for a half-year, we've said simply an unknown figure, a renewal charge or a replacement charge for a half-year, which is \$780,000, so that - because if in fact the taxes, we have to replace an equivalent amount, the half-year flow would be approximately .75 million. So this would replace that. That totals \$1.2 million, but there is a decrease in recoveries from Fire Suppression of about \$200,000, leaving a net increase of \$1 million.

MR. A. DRIEDGER: Mr. Chairman, I wonder if I should get our Finance critic involved in this one, because I'm getting, you know, more confused about this.

If I understand it correctly, the Minister indicated that under the Fire Protection Program there is \$200,000 that have been gained somewhere -(Interjection)- pardon me? But that renewal charge of 700-and-some-odd thousand dollars, \$750,000, how do we generate revenue out of a renewal charge? Where are we charging this to or where is it coming from? That is the difficulty that I'm having. I just don't understand.

HON. L. HARAPIAK: Mr. Chairman, there are different ways in which this could be approached. There is the possibility of adding it to stumpage. There is a possibility of transferring more responsibility to those who harvest the forest to deal with the question of forest renewal. So I do not want to suggest that we have the solution to this now.

The provinces have been meeting; officials are meeting; there's another officials' meeting on the 15th. Now there are different approaches being taken in different provinces. Some of the provinces have been suggesting that what the Federal Government should do is simply allow the 15 percent to carry on as an export tax on the softwood lumber, and the provinces would not then be obligated to implement some replacement measures.

Some provinces have indicated that they are planning to proceed with increased stumpage fees and provide that as the replacement measure. Some provinces are indicating that they would take a combination of, there would be some increase in fees, they would look at some other forest renewal activities, some responsibilities on the part of the people who are harvesting the forest, as their contribution in lieu of a charge. So there are various combinations that might be worked out.

And to say that we, at this time, have determined what our replacement measures will be, we have agreed with other provinces that we will have an officials' meeting again on the 15th of May, and there will be a meeting in Winnipeg of the Federal Ministers on the 1st of June, and hopefully at that time all provinces can come to some agreement as to what the replacement measures for the forest renewal charges or for the 15 percent export tax will be.

MR. CHAIRMAN: The Member for Morris.

MR. C. MANNES: Mr. Chairman, continuing this discussion, and I guess we're trying to determine the source of funds. The Minister is right when he says the 15 percent export tax in place on softwood lumbars, that portion attributable to Manitoba doesn't come to the department. He says of course it flows into the General Consolidated Fund of the province, and I accept that.

But the revenue that is garnered is accounted for in the revenue projections of the Minister's department. That, I take it, some portion of the figure (b) Forestry reflects Manitoba's portion of the 15 percent tax. If not, then that's totally removed and the Minister then can tell us what the renewal source is, what the source of funds is, who pays it. Who pays the revenue under item (b), the \$780,000 to which he has referred to now on several occasions?

HON. L. HARAPIAK: Clearly, the direction that we've had and, in the course of trying to resolve the difference, what was viewed in the U.S. by the U.S. lumber industry as an unfair competitive advantage to the Canadian industry - which I should say to you that I do not feel that there was that unfair competitive advantage for Canadians - but the agreement that was reached, in difficult circumstances - I'm not going to condemn the agreement - but to deal with the difficult circumstances,

they said, we will impose a 15 percent export tax so that the dollars will stay in Canada and flow to the province.

But the agreement also was that the provinces would be obligated to implement replacement measures which would have the equivalent charge to the industry as the 15 percent export tax. Now for what we have projected here, that there has to be a charge to the industry in some way, of \$780,000.00 Now to say to you that we have determined exactly how that will come, I can't give you that commitment because we are in the process of discussion with other provinces, recognizing that the jurisdiction for the resource rests with the province. But we agreed to undertake a process through the Canadian Council of Forest Ministers where there would be communication among the officials, and we would try to come to a resolution to the replacement of the 15 percent export tax in a way that was in the best interests of all of those involved in the industry, because there is movement of the products of that industry between the provinces.

We were still at the discussion stage in terms of identifying what it is specifically that will happen, but I do not try to hide - I've no reason to hide - that there will be the charge to the industry, because that is what came out of the process of discussion between Canada and the United States. There was an extensive lobby from the industry, and the argument was accepted that there has to be a greater charge to the producers in Canada.

The 15 percent export tax agreed to by the Federal Government is a temporary measure. Then the equivalent amount has to be picked up by the industry in some way. So I clearly state that it has to be picked up by the industry, but to say that we have made a determination that it will be by a specific charge, that determination has not been made.

MR. C. MANNES: Mr. Chairman, I thank the Minister for that explanation. I think he has now made it clear as to what the process in place and indeed the fact that the export tax put in place by the Federal Government is of a temporary nature. In due course, some provision has been put into the Estimates of Revenues to take into account the application of some type of revenue-bearing or taxation method against the industry in lieu of the 15 percent export tax that's in place. I accept that, Mr. Chairman.

I suppose I would question why that would not have been a little bit more highlighted, given the fact that it is a controversial tax. It's into a whole area of jurisdiction, provincial jurisdiction within the Natural Resource area that I think the Minister and indeed, I'm sure, all legislators in this House rightfully would want to maintain for this province.

But I think the Estimates of Revenues do a little bit more service to all of us when indeed, if it's highlighted in a little bit of a different fashion - and I suppose, to bring it right back to the beginning, there is no component of that (b) Forestry figure that deals at all with the Jobs Fund allocation in any sense from another department of the Provincial Government.

HON. L. HARAPIAK: Mr. Chairman, just a comment I would want to make in that regard, there is not a

Jobs Fund component to that particular item, but when we are going to be dealing with the Reforestation Program, there will be some Jobs Fund monies coming in at that point. So clearly, I do not want to have some misunderstanding that we are saying there are no Jobs Fund monies in the Forestry section.

MR. C. MANNES: They are hidden in reforestation.

HON. L. HARAPIAK: They are not hidden anywhere.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Chairman.

I wonder if we could pursue that aspect of it then right away too. The Minister had me confused there for a while with these explanations as to where that money was coming from.

I wonder if the Minister could indicate how much Jobs Fund money has been put into the Forestry Department, and where it has been utilized.

HON. L. HARAPIAK: Mr. Chairman, I wonder if I could have some clarification from the member whether he is seeking information from the annual report for the previous year or which particular year.

MR. A. DRIEDGER: Last year.

HON. L. HARAPIAK: The year that is 1985-86 to 1986-87, because we have a number of years on the go here in the sense that we have the annual report which is for '85-86. We've completed '86-87, and we are looking at the budgets for '87 and '88. I would seek some clarification.

MR. A. DRIEDGER: Well, okay, was the Jobs Fund money used in the '85-86 year, and was there Jobs Fund money used in '86-87 year? If that is the case, can the Minister indicate how much money was used in '85-86 and how much was used in '86-87, and in what areas or categories?

HON. L. HARAPIAK: Mr. Chairman, we'll just take a moment here. There were funds used, particularly in the Reforestation Program. So we are just making those calculations, and we'll summarize that for the member.

MR. A. DRIEDGER: Mr. Chairman, to the Minister, while the staff is maybe compiling that information, can the Minister indicate whether under the Reforestation Program that Jobs Fund money was given to Manfor, for example, and Abitibi in terms of reforestation?

HON. L. HARAPIAK: Mr. Chairman, I'm not sure that the member would be satisfied with sort of general figures, but I can give him this information, that no money flows from the Jobs Fund or the agreements to the industry from the province, whether to Manfor or Abitibi. We do not provide any funding to them through the Jobs Fund.

There are two agreements which really cover the reforestation. One is the Jobs Fund Sectoral Program and the other is the ERDA agreement. In each of those categories, there is approximately \$3 million, so it's

\$60 million per year that flows to the Forestry Branch for funding in the reforestation effort. If the member wants more specific figures, year by year, we could provide that.

MR. A. DRIEDGER: Mr. Chairman, I think this must be a bad day for me. I asked the Minister how much Jobs Fund money had flowed into the Forestry Department in 1985-86, and also in 1986-87, and the Minister comes up with a figure of \$6 million under the reforestation.

That \$6 million, is that Jobs Fund money that has gone into that area for reforestation? I wonder if he could clarify that a little better.

HON. L. HARAPIAK: Mr. Chairman, again I just want to point out that, in terms of this funding, it is directed - this is provincial funding - Jobs Fund Sectoral, approximately \$3 million. The ERDA agreement provides for provincial dollars of approximately that amount and, as well, for federal dollars to flow to the agreement. So, in fact, the overall - he was inquiring about provincial dollars - would be about \$6 million. In addition, there's another \$3 million approximately - I'm just talking about approximate dollars now - from federal funding, per year that is, per year.

MR. A. DRIEDGER: Mr. Chairman, to the Minister, is the Minister indicating to me or to the House that the province has put in approximately \$6 million a year under the federal-provincial agreement, and the Federal Government has put in approximately \$3 million under that agreement, and that the provincial portion of that is the \$6 million per year for each of the last two years? That money is coming out of the Jobs Fund category?

HON. L. HARAPIAK: Mr. Chairman, I want to point out to the member that there is a five-year agreement, five-year ERDA agreement, for the reforestation effort between the Federal and the Provincial Governments. That flows over that five-year period, and the value of that agreement is some \$27.2 million. There are components to that which are 100 percent provincial, some 100 percent federal, and then some shared. But if you look at the agreement overall, it is a 50-50 agreement on that portion.

In addition to that, the province has built into the agreement another \$15.8 million for that five-year period, and that is the Jobs Fund. So that \$15.8 million over five years, that identifies the approximately \$3 million per year. In addition to that, there is another \$6.9 million from the industry, in this case being the Abitibi Price and ManFor.

So if we look at the five-year agreement - and this is what we're doing - we're looking at a five-year forest renewal program, in total, \$27.2 million over the five years shared. Despite some of the categories within, the 27.2 will be shared 50-50 between the Federal and Provincial Governments. Add to that another \$15.8 million, which is the Jobs Fund money and which is provincial funding, and add as well that third category. That's the contribution of industry of \$6.9 million over the period of five years.

So I hope that provides the member with that breakdown. If the member were interested, what we

could do is separate those figures into a printed form as a statement to share, but those are really the figures that are built in to the documents that we are dealing with.

MR. A. DRIEDGER: Mr. Chairman, to the Minister then, first of all, we're talking of large amounts of money. Where were they reflected in the budget then, in terms of - you know, under this Silviculture reforestation, I see no figures that come anywhere close to the kind of figures that we're talking about. Where would they be reflected in?

HON. L. HARAPIAK: Mr. Chairman, I have the Main Estimates Book here and I want to point out that, on page 144, there is the Manitoba Jobs Fund, and category (a) deals with the Natural Resources Development. So it is really within those Estimates that it would review this component specifically.

Mr. Chairman, I can just point out further that, when the member is looking at that page, that is only provincial funding. The federal dollars and the industry dollars will not show in our Estimates.

MR. A. DRIEDGER: Mr. Chairman, I have difficulty understanding how we can operate this way in order to get a proper picture as to what has happened in the Forestry Department when we take and look at the Estimates here. Then we find out we have, under the Jobs Fund, money pumped into the current operating expenditures under Natural Resource Development, which I assume is Forestry, to the tune of \$7.2 million plus expenditures related to capital under the Jobs Fund end of it. But most certainly when we talk of this kind of money that is coming forward for reforestation, it gives a totally distorted picture about what's happening in the department, because I thought we had a tremendous agreement that was signed between the feds and the province in terms of a major program of reforestation. The program for one year alone from the Jobs Fund indicates over \$7 million hasn't gone into that program, when the total budget under Forestry is \$7.4 million. I hope there's some explanation.

I would think the Minister would be proud to have all the figures out in the Forestry Department, based on the agreement that was signed with the feds that would give an impression that there's a very active program going forward when it comes to reforestation. This actually gives a misrepresentation in terms of what's happening within the department.

HON. L. HARAPIAK: I'm sorry, Mr. Chairman, I was involved in a discussion with some of my staff. The member was indicating that some of this is difficult to follow, and I agree.

There is a greater level of activity than is reflected simply by glancing at this portion. We have frankly been very pleased that we have been able to get support from the Jobs Fund for our forestry initiatives, because I think it's a reflection of our commitment to the long-term future of the province. If there was a specific question that the member had at the conclusion of his remarks, I missed it, so if he would want to repeat it.

MR. A. DRIEDGER: Well, Mr. Chairman, I just indicated at the conclusion of my remarks before that, I would

have thought that the Minister would have been very proud to have that kind of activity illustrated in his budgetary figures, in his Estimates, about the work that's taking place. This seems to create a misconception that very little is happening when a lot really is happening in a sense.

But I still would like to have the Minister give us some indication as to what Jobs Fund money is being used for reforestation. What categories within the Department of Forestry is it being used? Is it being used for the seedlings, where is this money going? That's what I'd like to know. Is it being channelled indirectly to a place like Manfor? Because they're doing the reforestation as well as Abitibi, is that money ultimately ending up in those categories or in the pockets of people who shouldn't maybe be having it?

HON. L. HARAPIAK: Mr. Chairman, just in terms of the arrangement with the two major companies, there are agreements with those two companies wherein with Abitibi there is a charge that is paid to the province and then monies flow back to them for the reforestation activity that they undertake, so there is that particular arrangement that has been there for some time. The arrangement with Manfor is slightly different in that they still have a responsibility for the reforestation, but they assume it directly. There is not a charge to them that flows to the province and then flows back to the company, so that clearly both companies have a responsibility for reforestation.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, I want to ask the Minister specifically, what is the tendering process to provide reforestation for the Channel Area Loggers?

I know during the report of Channel Area Loggers, there was some concern brought to our attention that the reforestation last year provided extremely important and needed work for those individuals who carried out logging part of the year, but it was of an important part of their income for the reforestation under the Natural Resources Department. However, at the time of the committee of last week, there was some uncertainty as to this year's contractual arrangements on the reforestation in Channel Area Loggers. In fact, the concern was that it could possibly be allocated to a city firm, to a firm out of Winnipeg, and there was a lot of uncertainty as far as the local employment opportunities were concerned.

My colleague, I believe from Lakeside, and myself committed ourselves to getting clarification at the Natural Resources Estimates. Now, what is the policy as far as tendering for the reforestation Channel Area Loggers? Can he assure us that the local people there who are - yes, they are subsidized through the taxpayers for the operation of Channel Area Loggers, but I think that it is somewhat more palatable for the taxpayers if they know there is some meaningful work being done, and I'm sure it has been on reforestation as well as the logging. So I let the Minister state what his policy is, and where it currently is at as far as Channel Area is concerned.

HON. L. HARAPIAK: Mr. Chairman, perhaps before I answer that question specifically, I want to follow up on a couple of items from the Member for Emerson.

In terms of the categories where the funds are expended, there are basically four categories. The forest renewal, those are basically activities related to development. It could be development of access roads. It could be tree planting activities, intensive forest management, thinning projects as an example, research and technology transfer, some of the nursery development as well. And the fourth category is evaluation and administration. So those are the four categories in which we see those expenditures.

I was also wanting to point out, when we're dealing with the concern about provincial dollars flowing to the two main operators, the large companies, Abitibi Price and Manfor, there are some agreements between the Federal Government and these particular companies where dollars, 100 percent dollars, flow directly to Manfor and Abitibi for reforestation for reforesting the cut-over areas. Those don't impact us, but there are some agreements of that nature, so that I . . .

MR. A. DRIEDGER: Is that part of the total agreement?

HON. L. HARAPIAK: No, it's totally outside any agreement. It's the federal commitment to that agreement. I just wanted to clarify.

Mr. Chairman, just to follow further in terms of that total agreement, some of those where we indicated there were some 100 percent federal dollars that would not necessarily flow through us, but it would be part of that overall agreement, but some of those dollars would flow directly from the Federal Government to those two operations.

Now, the question raised by the Member for Arthur on the awarding of a contract at Berens River. There was, I think it was about a year ago, a decision made to award a contract to the Channel Area Loggers on a non-tendered basis. So they did have an initial contract and, if I recall correctly, the price per tree was 24 cents. They completed that contract and there was a second contract for planting in that area. We offered it to Channel Area Loggers at the same price, again at 24 cents per tree. Now I'm trying to recall - I think it was at 24 cents per tree.

There was some concern on the part of Channel Area Loggers that perhaps that was not a sufficient price, the price should be higher. We disagreed from the department that it should be higher. We thought that was a fair price. So then, when we weren't able to come to some agreement, we said the only way to resolve the issue is to in fact tender it.

So we put it out for tender. The community did bid the contract at 24 cents. Now I have to be careful when I say the community. I think it was Channel Area Loggers or the community bid at 24 cents, the same price that we offered it to them earlier, but another contractor, Dorsey, from Winnipeg, came in at a lower price. So having said that, we would resolve it by way of the tendering process, we then proceeded to implement the contract and the contract was fulfilled by Dorsey.

The firm did go up to the community and posted notices that they were wanting to employ people from the community. They did in fact employ some people from the community, but there were some shortfalls in staff, and they had to bring others in, in order to fulfill the contract.

We had work available again, in fact, a number of contracts throughout the province this year for reforestation and we did tender these contracts. I think there were a couple of smaller contracts which were not tendered, one of them being I believe from the Steinbach area where a community group - I believe it is a training institution dealing with handicapped adults - was given a smaller non-tendered contract to provide employment and work experience for these individuals.

But generally, we have gone to a tendering process and, again, this year in that particular area, there was a bid submitted by Channel Area Loggers and a bid submitted by Dorsey. Dorsey was the low bidder. So the contract for this year was again awarded to Dorsey. The principals of the company, after the decision had been made, came in to see me. They gave me their assurance that what they were looking to do is provide opportunities for employment in the community, and my suggestion to them was that they would go to the community with some of the Department of Natural Resources staff, meet with the community leaders and indicate their desire to employ individuals from the community level to the greatest extent possible. So that, I hope, speaks to that particular contract and gives some indication of our approach generally.

I think we want to explore - I should tell the Member for Arthur - some possibilities for some smaller contracts to be awarded on a non-tendered basis in some of the remote communities to provide community groups with some experience in tree planting and develop some of the skills, give them some of the experience and then prepare them for bidding on the larger parcels of work. So we are prepared to explore some of those non-tendered contracts in order to provide some training and experience and access to the industry by smaller groups.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, I was not aware that last year it had been tendered. I was actually led to believe that it was this coming year that the tender process was going to be applied, rather than the straight contractual agreement. But the Minister indicates that the 1986 planting year was also contracted out to Dorsey, not to the Channel Area Loggers and workers. Is that a correct understanding?

HON. L. HARAPIAK: Mr. Chairman, there were two contracts in that area in that year. The spring contract, or the first contract, was a non-tendered contract, and then there was a subsequent contract in that year. I think it was in the latter part, in the fall, that it was done on a tendered basis. Then again in this current year, another contract has been awarded on the basis of tendering.

MR. J. DOWNEY: Mr. Chairman, I guess my concern is - and I know that one should, and I say "should," use the tendering system to make sure that, in the best interests of the taxpayers, their funds are looked after. I'm sure it's easier for the departmental staff to carry it out in that manner too when they get such a situation, but there's something missing here.

And what is missing is a representation, as I can see it, from the Minister of Northern Affairs, which Channel Area Loggers falls under, to come to the Minister of Natural Resources and say, look, here's my proposition to you. We've got some people who need the employment, the reforestation employment. The Minister should have sat down, Minister to Minister, and said, look, you know, I understand that the people involved are not happy with 24 cents. I would have thought the Minister of Natural Resources would have very openly said, look, I've got to carry out my responsibility, as do my staff, and the best way that we can see to handle it is to tender. The Minister of Northern Affairs should have said, look, Mr. Minister of Natural Resources, rather than pay subsidy, rather than pay a bigger subsidy through the province to support the employment at Channel Area Loggers, look, let's do it through the reforestation program.

I don't think it's been handled very well. Mr. Chairman, and what it's done, the message that I have, is that there are some people who are a little bit living with the uncertainty as to whether or not they're going to have employment. When it was directly in the hands of government, then the Minister could have assured the Channel Area Loggers that they did have a job of planting the trees in the off-season. So the government should be criticized and criticized severely in the way in which they have handled it, not particularly for making sure that they're getting the best deal but, on the other hand, we're going to have to subsidize it anyway. We have to carry the Channel Area Loggers, because it's a Crown corporation which is fed to make sure it's operated by provincial taxpayers. I would have thought, and I think it is a responsibility of the taxpayers to reforest the land, that the stumpage should, yes, pay towards it, that there's a responsibility to, yes, make sure our forests are continued.

And I've got some further questions dealing with that, but I think the government, particularly the Minister of Natural Resources and the politicians in this case, should be severely criticized for not doing their best to make sure that these people are employed at Channel Area Loggers in the off-season and that, instead of doing that, it's been tendered, yes, because the case can be made and the Minister - I'm not necessarily blaming him and his department. That was probably the most appropriate thing to do.

However, if the Minister of Northern Affairs, who is responsible for Channel Area Loggers, had been doing his or her job, then it wouldn't have got to that state. It could have been worked out and quite acceptable to the public, quite acceptable to the public that the money was being used for the employment of people in the Berens River area for reforestation. Where was the Member for Rupertsland when all this was being carried out? Where was he? Why wasn't he looking after the future jobs? Why wasn't he looking after the future jobs of his constituents in the Berens River area? He deserves severe criticism. The Minister of Natural Resources as well should have, I think, brought it at least to his attention.

I would like to know if there was correspondence between the two of them, if in fact there was a Cabinet discussion. These are the kinds of things that can be worked out by Ministers if, in fact, there is any co-operation at all, unless they've both got the blinkers on.

My concern is the jobs, the jobs and the uncertainty that was put in place in that community. I respect the department's responsibility to go to contract or to tender it. They didn't have too many options, because there wasn't any political leadership or direction come to them, saying, look, yes, the 24 cents is now the offer. Why didn't they say, look, we're prepared to go with it? Yes, yes we've got a lower bid from such another person but, in taking that lower bid, don't we just have to turn around and come in the back door with money to keep Channel Area Loggers going anyway? That's really what's happening.

To be simplistic about it, the taxpayers have to keep it going. Why wouldn't they have used the Department of Natural Resources through a tree-planting program as a means to support it? The people who were out there knew that they had jobs for sure. Now they've placed Dorsey in the position of - yes, they've encouraged them to go out and hire local people - but they can't directly force Dorsey to do it. So there's an element of uncertainty, and the fact that they're not getting the political leadership has to be brought to the attention of the public, Mr. Chairman. That's what I'm intending to do here.

I would hope the Ministers - I guess it was the Member for The Pas. I mean after all they could have had a brotherly discussion, I'm sure, at some point, as to whether or not there was a better way of doing it than the way they handled it. If I'm wrong, then I would expect it to be said so. I want to shut this part of our argument off that he says, the Member for Arthur stands up and says, the heck with the tendering system, that you can't carry it to tendering system because it isn't the best way. There's a special circumstance when it comes to this particular case, Mr. Chairman, that should be dealt with. That's the provision of jobs, the provision of the opportunity to restore a natural resource.

I've got some other questions and, before I yield the floor to the Minister, I would hope that he could give me the answers.

Mr. Chairman, the concern that I have, and I'm of the perception - and I don't know just what to base it on but it's a feeling that I have and a perception that I have that we're in a net loss position as far as our forests are concerned. We are seeing more harvesting taking place than replanting. When you have the harvesting, the forest fires, the total disappearance of our forests in Manitoba, our forest resource is depleting faster than which we're replanting it and trying to replace it.

What, Mr. Chairman, is the offset as far as planting as opposed to harvesting and loss by forest fires? I think it's the global picture that I'm looking for. Is that well-founded, or is it an inaccurate assessment on my part? That's No. 1.

No. 2, how much money is being spent by provincial and federal monies, split it up - and maybe you've dealt with this. You could give me a lump sum as to what is being spent on reforestation, whether it goes to the Manfor or Channel Area Loggers. What is the lump sum of money being spent? What is the money that we're receiving as taxpayers for stumpage and for the purposes of which the stumpage should be used? How does it balance, the acres harvested, then the acres that are replanted, the dollars that are being spent and the dollars that are being recovered, as far as our forests are concerned?

Just basic questions, which maybe have been asked by my colleague from Emerson, but let's get a handle on it. Are we really seeing a depletion of our resources in the Province of Manitoba? What is the financial commitment? What is being collected from stumpage charges for the purposes of reforestation, although I know you don't identify the money or earmark it to go into any specific channel, but let's get a ballpark figure of those numbers?

HON. L. HARAPIAK: Mr. Chairman, it seems that the Member for Arthur did not receive the advice that I received from the Member for Emerson at the beginning of the Session today, and that is that we should be brief and make this process move rather quickly.-(Interjection)- I must admit, Mr. Chairman, after that dissertation, I am having difficulty following through all of the notes of the different issues that the Member for Arthur raised.

Mr. Chairman, I guess to begin with, I find it rather interesting to observe in the Member for Arthur, who fulfils his role in a very effective way as an Opposition critic because he can have it, in a sense, both ways - you see, he is, from time to time, critical of government for taking into account certain other considerations and not relying on the market to determine value, shall we say.

In this particular instance, in this particular case, we did work and there was communication with the Minister of Northern Affairs previously on the issues related to the previous year. In the current year, there was discussion on this matter with the present Minister of Northern Affairs, so clearly there was communication.

We were concerned that there be the opportunities for employment but, where we were not able to resolve the question of what is a fair price for determining it, we said let the market then determine that. I am now being criticized by the Member for Arthur for utilizing, in some small way, the market force to determine the value of a particular service.

I want to congratulate the Member for Arthur for recognizing, as we have for some time, that there are other considerations than simply those market forces, but I have no hesitation in saying that from time to time it is necessary to use that particular approach for determining the value.

In terms of employment, clearly, clearly we want employment opportunities for people in those areas, but I find it somewhat puzzling to hear the Member for Arthur say that, because there may have been a loss in the operations of Channel Area Loggers, then we should provide the tree-planting contract to offset that. Those are separate operations; they are not related.

Clearly, we want the individuals from those communities to have employment opportunities other than during the winter months or other than just with the harvest of trees, but is it not still possible for those individuals to find employment by way of the contractors?

The contractor, in this case, went to the community and he said, I want to hire individuals from this community. Through a discussion with the Minister of Northern Affairs, this was brought to my attention this year. I spoke to the contractors directly, and I said that

we have awarded this on the basis of a contract. There is a desperate need for work in that area. We would like you to utilize, to whatever extent possible, people from the area to fulfill your contract. They said they were prepared to go to the community with departmental staff, meet with the community, and indicate to them clearly that they would utilize the labour force of the area.

So using the contract, or the tendering process, does not eliminate the jobs. There is still the opportunity for the people of the area to work, but I am glad that the Member for Arthur is indicating to this House that he recognizes there will be times when you have to take into account, other considerations. And I pointed out earlier that, though we do rely on tendering for the tree-planting contracts quite extensively, we are looking at providing community groups the opportunities to undertake smaller contracts on a non-tendered basis to enter into this process. So when in fact we do implement some of those, I hope that the Member for Arthur will not be critical of us for not having tendered the particular work.

In terms of the expenditures for the industry, we had provided those earlier and the annual figure for the total expenditure, federal and provincial dollars, is an average of \$11.5 million per year.

A MEMBER: What about acres . . .

HON. L. HARAPIAK: Oh, yes, just on that point, I don't know that I have the information here. We did table the five-year plan which has a great deal of data within it in terms of the forest management and the forest harvest. The member is correct in that, in terms of the current level of harvest, the projections to the year 1990, that the purpose of the Forest Renewal Program is to make up that shortfall that has existed. With this particular initiative, our efforts in planting will, in fact, close that gap by the year 1990. Any backlog, any deficiency, sort of an accumulated deficit if you would like, will be made up by the year 2000.

MR. J. DOWNEY: Mr. Chairman, I didn't get the stumpage that's paid by the industry. The Minister was indicating that he'd provide that.

My only comment, Mr. Chairman, and I figure likely the Minister would try to take out of context what I had said as far as the tendering process was concerned. I want it to be very clear.

Yes, I believe the tendering process is a way. The question back to the Minister is: How did he know initially that 24 cents was the right price? Now he's saying he has to go to the tender process to find out what it is. How did he know 24 cents was the right price? I mean, was he flying by the seat of his pants? I guess that's what he was doing. So I guess the taxpayers do have reason to question the operations and the handling of the affairs of the Department of Natural Resources.

The big point that has to be made - and I think the public expect this to be done, and that's in the preservation of our natural resources and the continuation of it - is that 24 cents is a small price to pay for a future home for the children and the people of this country, or for a valuable book to read, one

that may be written by someone who leans to the right a little bit rather than a leftwinger. One has to make sure that the proper things are placed in writing when you're using the paper -(Interjection)- that's right.

The point is that the public, I believe, are quite prepared to accept expenditure in the reforestation and the rebuilding of our forests. That's imperative that we do it. It's far better to spend the money there than \$27 million in the sands of Saudi Arabia by the former Minister responsible for Telephones, Mr. Chairman.

Thank you.

HON. L. HARAPIAK: Again we have the Member for Arthur demonstrating the benefits of being in opposition. He only a few moments ago -(Interjection)- I'm quite happy to have him enjoy that advantage for years to come. I recognize that I would get a lot of encouragement from the Member for Arthur to assume that position.- (Interjection)- But what I again find interesting is that I was being criticized for not awarding it on a non-tendered basis, and then he returns to criticize me for determining a value of 24 cents on a non-tendered basis. So he is clearly again having it both ways.

I think that, to point out the value, we do have activity in various parts of the province. We have people who have obtained work by way of tenders in other regions. We can compare the terrain of one area to another area, and there can be some very, very good estimates of the cost involved. In our judgment, 24 cents was a fair price, and it must have been a realistic figure in the judgment of the community because, when the community then submitted a tender, they tendered at the price of 24 cents.

So it is not as though our price, in their view, was totally out of line. I do not recall what, in fact, the successful bidder was at in that case. I think it was in the range of 20 cents, but I would have to seek clarification on that.

So I think, Mr. Chairman, I would just want to note that we dealt with that issue in a responsible way. We had good communication with the Ministers of Northern Affairs because, over the period of time, there were two different Ministers dealing with that issue. There was concern about employment at the community level. There still is concern about employment at the community level, but we feel that will be provided by way of this particular arrangement.

MR. A. DRIEDGER: Mr. Chairman, to the Minister, I have great difficulty dealing with the Estimates of Forestry the way they're set up right now, in view of the fact that there are more monies expended in the Department of Forestry through the federal-provincial agreement than there is shown here in the Estimates.

I'm wondering, to maybe save some time, if the Minister could undertake to forward information to indicate exactly how much money has been expended, for example, in reforestation, between this - what is shown here - and the federal-provincial agreement. If he could maybe give a breakout in terms of the monies from the Jobs Fund that have gone into the various categories within the Forestry Department, because the Minister indicated there are four different areas where Jobs Fund money has gone into and that is actually

all part of the expenditure of forestry, and that is why it is confusing.

We can't really, in my mind at least, deal fairly because we could be critical and say there isn't enough money being expended for reforestation, based on what we see here, knowing full well that there's an agreement and that extra money is being expended. I wonder if the Minister could give us - never mind the figures here - if he can give us a breakdown as to what's really happened. Then we can have a better understanding, and then we might not have any difficulty with it. But right now, it's very difficult to understand exactly what is being expended, and in what area.

HON. L. HARAPIAK: Mr. Chairman, if the member is having difficulty with it, I should point out that he's had more experience with this than I, because this same process has been in place, the same structure has been in place for the last three years. So I don't want to leave anywhere on the record the impression that we have changed the process for this year. It is the same structure for submission of the Estimates of the Department of Natural Resources for the last three years.

But within that framework, I accept the comments of the Member for Emerson, that there may be a different way of preparing the information in terms of our communicating with him, and we're quite prepared to do so, but we cannot take the Jobs Fund monies and put them in here. There's the requirement, by way of the Legislature here, that they be in those categories. I, as the Minister of Natural Resources, can't change that. We are complying with the requirements of the Legislature.

If we can be of help to the member - again I don't know if he's suggesting that we do that here today, but we would invite him to come to the Forestry Branch, for example. Make an appointment. We'll arrange for the Forestry Branch or we will prepare a summary sheet of all of the expenditures in the different categories and sources of funding, federal, provincial and shared in the different categories. We'd be quite prepared to do that.

MR. A. DRIEDGER: Mr. Chairman, I appreciate that because I think that would be much more realistic in terms that the people of Manitoba could see what kind of monies are being really expended in Forestry, because there is much more being expended than is being shown here. I think it's for the benefit of the Minister and for everybody to know exactly the kind of money that is being pumped into Forestry. With that kind of undertaking, then I would leave this area - we don't have to be belabour it any further - and it doesn't have to be done right now. The Minister can do that within a reasonable period of time, depending on the pressures on the people in the department to get that information. So we could have a look at that and then we'd have a realistic picture of what is happening in the department, and I would find that acceptable.

A MEMBER: It might even be helpful to the Minister to let him know what's going on in the department.

MR. A. DRIEDGER: Mr. Chairman, to the Minister, I also understand that under the Silviculture end of it,

part of that program, part of the federal-provincial agreement deals with silviculture. I think the Minister can probably remember last year when I raised the issue about the employees who had a contract and they were hired and then a week later they were served lay-off notices. Part of the rationale at that time was the jack pine budworm, or whatever the case would be, the spraying and the problems in that, and the Member for Charleswood wants to deal with that to some degree.

I just want to question the Minister under the Silviculture Program. Are we looking at a flexibility in there again, or do we know how much money is going to be expended? Are we going to be in a more definite program that the people who are out there anticipating this work, that they know where they're going to be at, or are we still sort of loosey-goosey in terms of what's going to be happening?

HON. L. HARAPIAK: Mr. Chairman, I'm advised by staff that there are some 90 different projects involving forest renewal activities. The Member for Emerson mentions silviculture. Silviculture is but one of the activities in forest renewal. We're involved in various activities and, as I've indicated, some 90-odd different projects ranging from nursery operations to tree planting operations, thinning operations, operations relating to forest management of different types.

I think what I would suggest again there, if there is a specific project or a specific area that the Member for Emerson is interested in in terms of opportunities or what is happening in the field, again I would invite him to come to the Forestry Branch and discuss with the people in the branch the specific projects that are under way, whether in a particular region or, if indeed he wanted to look at all of the province, we could. If you wanted to deal with it here in the House at this time, we could as well.

MR. A. DRIEDGER: Mr. Chairman, I find that acceptable. I'll take the Minister up on that invitation that, if I have specific areas, I can maybe pursue it with the department on an individual basis. I appreciate that.

MR. CHAIRMAN: The Member for Charleswood.

MR. J. ERNST: Mr. Chairman, thank you.

To the Minister, I understand that there may well be some significant infestations of budworm, both spruce and jack pine, this summer extensively in the northern areas of the Whiteshell Provincial Park but perhaps elsewhere in the province. Can the Minister advise as to what extent his department is aware that there will be a budworm problem in Manitoba this summer?

HON. L. HARAPIAK: Mr. Chairman, the infestation is a spruce budworm infestation. We do not have a concern about a jack pine budworm.

Last year, we had the jack pine budworm infestation, and we had some very successful results in terms of preserving the growth during the period of infestation. The natural cycle stopped to the point of collapse, and the population has collapsed as far as the jack pine budworm. But there is an infestation in the area that the Member for Charleswood has mentioned of spruce

budworm, and the Parks Branch is going to be undertaking activities for the control of that.

The funding will go through Parks Branch, but the Forestry Branch will be involved in some ways in the delivery of the service. There is an indication here for me that some \$24,000 will be spent on planning to protect the recreation areas of the province. So these are areas not necessarily for forest production, but for recreational areas. We will again be using the bacterial control, not a chemical control, so that the members would want to be comfortable with that.

I should point out, I don't know if the Member for Charleswood has had the response. He had raised the matter with me earlier in the Legislature. We did mail some material that he could in turn share with the cottagers. I was pleased to see as well that there was a little article in the Whiteshell Echo from the Director of the Parks Branch, addressing the question of the spruce budworm infestation.

It's important as well to note that there are activities that individuals can undertake on their own. They do not have to rely on the aerial spraying by the Parks Branch, but they can in fact undertake activities on their own to protect the trees in their area. Some of that information was included in the printed literature, and I think there were suggestions in the article that appeared in the Whiteshell Echo again as to how cottagers could help the cause.

MR. J. ERNST: Mr. Chairman, while I thank the Minister for his response and for the information which I received today, the question is though that while cottagers and others having property in the Whiteshell or infested areas have limited ability to spray their own trees without major purchases of equipment to reach the tops of rather large trees, could the Minister advise to what extent the department will be undertaking aerial spraying within those recreational areas?

HON. L. HARAPIAK: As I indicated, there would be \$24,000 allocated for a spray program, and that is intended to deal with the Winnipeg River area, the Falcon townsite and the Tulabi Falls. Those areas will be sprayed. We cannot spray all of the areas but it's an attempt to concentrate on those areas where there is the highest risk involved.

MR. J. ERNST: Mr. Chairman, I don't profess to be any expert in this matter, but it's my understanding that, for instance, the Province of New Brunswick has had a major problem with this for some time, not just in recreational areas of course but over entire forests. They operate a continuous spray program, as far as I'm aware, unless they've discontinued perhaps in the last year or two. But certainly for many, many years they've operated a continuous program of control for spruce budworm.

Is the infestation of significant enough size that such a program may be necessary in the Province of Manitoba?

HON. L. HARAPIAK: Mr. Chairman, I think it's important to point out that there has always been the presence of spruce budworm to some degree. It's not as though this is the first time the spruce budworm has been

there. And in fact, the level of infestation is such that, if we were concerned strictly from the point of a commercial harvest of the forest, we would not be undertaking the spray program. It is because of the threat to the recreational areas that we are undertaking the spray program. So we don't want to send out false messages or create undue concern. It is because of the threat to the recreational areas that we are spraying.

MR. J. ERNST: Mr. Chairman, it's fine to say that immediate recreational areas are, in fact, perhaps threatened in certain pockets, for instance, in the Whiteshell Provincial Park. But I think we have to look too, Mr. Chairman, that just those individual trees - the dozen or two dozen trees that are on somebody's particular lot - are not just necessarily the trees they should be concerned about.

Certainly, the whole environment for some distance beyond the recreational areas forms part of that same kind of experience for those people and also, I think, need to be addressed some distance away, along highways, along roadways, along hiking trails, and many of those kinds of areas, where perhaps a severe infestation over a two or three or four-year period will severely defoliate those districts and make that experience no longer the same kind of experience that has been in place up to this point.

HON. L. HARAPIAK: I think it's important to point out the difference, Mr. Chairman, between the different species, and that is that the spruce budworm eats only on the balsam fir and the white spruce, not on the black spruce, and we're comparing this with New Brunswick.

New Brunswick has a much higher percentage of balsam fir - that is their commercial species - where in Manitoba for the purpose of commercial harvest our prime species is black spruce, particularly in that region, which would not be at risk from the spruce budworm. Then even within the two categories where the spruce budworm is a threat, the balsam will succumb after a defoliation of three to four consecutive years, where with white spruce it could withstand defoliation for as much as eight years. So there is a difference between species.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, to the Minister, can the Minister indicate whether the department is considering hiring private operators, air operators to undertake spraying for the department, or are they doing it just with departmental planes?

HON. L. HARAPIAK: Mr. Chairman, the department and in fact the province does not have equipment for aerial spraying. Last year, when we were spraying for jack pine budworm, we tendered the spraying out. We do not have the equipment within the government to carry out the spraying. It would have to be contracted out.

MR. A. DRIEDGER: Mr. Chairman, the Minister is indicating that any spraying for the jack pine or spruce budworm situation is done by contract, which is

basically being tendered. Whoever gets the best tender is the individual who then gets the contract. Am I correct? Whether it's within province or out of province, it doesn't matter?

HON. L. HARAPIAK: This contract will be tendered. Now there are different approaches taken to tendering. Where you have public tenders, you put a notice in. Then you could have tendering by invitation as well.

In this particular case, I'm told that in Ontario there is a very extensive spray program going on, and many of the bigger operators would in fact have their equipment tied up in the spray programs in Ontario.

But the policy of the department generally is to tender out work, but there may be specific circumstances. If you have a small project and you have somebody on-site who you could award work - and I'm not speaking of spraying specifically but other work that we do. For example, if you're doing some construction work and if you have to complete a small additional portion, rather than tendering that out, you could do it on an hourly basis with somebody who was already on-site. But generally, the approach is to tender the work.

MR. CHAIRMAN: The Member for Charleswood.

MR. J. ERNST: Mr. Chairman, I'd like to discuss with the Minister now one other disease problem that faces Manitoba, and that's Dutch elm disease.

Can the Minister advise as to what steps and expenditures are taking place this year with respect to Dutch elm disease in the Province of Manitoba?

MR. DEPUTY CHAIRMAN, D. Scott: Mr. Minister.

HON. L. HARAPIAK: Thank you, Mr. Chairman.

The expenditures on Dutch elm disease are approximately \$2 million from the department. There's a component of that that is within the City of Winnipeg. Then there is a component of that which deals with the municipalities outside of the City of Winnipeg.

It is somewhat in hand, but it is still progressing to areas that it did not exist previously. We think we have to monitor it continually. We did have some controversy in some of the municipalities adjacent to the cities. The member may be aware of some of the publicity that arose out of the desire of an individual to keep us from entering onto the property where there were trees that were infected. The individual preferred not to have them removed, but we felt that those were putting the trees in the city at risk and we were proceeding with it.

We were somewhat puzzled by the reaction of the municipality of Ritchot, where the municipality of Ritchot passed a resolution asking us to exempt those properties. We will, because of that complication and the delay. We were in the field, we were dealing with the problem, we were removing the trees. Then the individual appealed to the municipality, and the municipality said that they wanted to consider it. By that stage, it had become quite warm and we had to leave the site. Our plan is to return to the site at the appropriate time in this year to continue with the removal of those diseased trees, because we think it is the responsible approach to take. We do not want to see the trees in the city put any more at risk than they are already.

I should point out - and I would like to make these available to the members opposite - we have an illustration here from a small community in Illinois. I think sometimes the impact of the Dutch elm disease is not fully appreciated, but members will notice that the top photograph is of a street in a community well-treed, shaded, very pleasant looking. Seven years later, after the presence of the disease, you see the streets are barren and there is hardly a tree in sight, a few at the end of the street. So I think I would want to make these available for members opposite, and they can share with some of those individuals who perhaps from time to time do not fully appreciate the threat posed by the Dutch elm disease.

MR. J. ERNST: I concur with the Minister. The devastation that can be caused by Dutch elm disease, as indicated in those photographs, is very, very significant. I have seen that occur in upstate New York and in Ontario and other centres where Dutch elm disease has run rampant through communities where there hasn't been any program of attempting to deal with that.

Certainly in Manitoba, one of the major resources that we have, particularly Southern Manitoba, and that's our American elm population. The City of Winnipeg alone has hundreds of thousands of those beautiful and stately trees, mature trees. We have the same kinds of trees along the banks of the Assiniboine River, west from here, on the banks of the Boyne River in some areas of southern Manitoba, and perhaps many others that I'm not aware of. But certainly that is a significant resource, not only I suppose for the harvest because I don't think particularly that is what they're there for, but certainly from an aesthetic point of view. Particularly in Winnipeg with the American elm population, we have to do everything we can to try and preserve those for as long as we can, and then to take another step and look at replacement stock as the trees die off, mature replacement stock.

Can the Minister indicate, Mr. Chairman, what sum of money he's providing this year for the City of Winnipeg to combat Dutch elm disease?

HON. L. HARAPIAK: \$350,000.00.

MR. J. ERNST: Mr. Chairman, I think that's woefully inadequate. It is actually a shame that the government has been providing \$350,000 now, that maximum sum of money for the last five or six years. The disease, as we understand it, is accelerating. I'm sure the Member for Elmwood, the name alone should bring the hackles on the back of his neck up, the fact that the Minister is providing a pittance - a pittance - \$350,000 towards the combatting of this particular disease. Madam Speaker, her constituency is filled with those mature elm trees that are in danger, Mr. Chairman, and I think that quite frankly it's a shame that this government is considering only \$350,000 towards the cost of combatting that disease.

I know the city is spending significantly more and more and more money in its attempt to preserve those trees, but to provide only a \$350,000 grant toward that situation, I think shows the insensitive nature of the Minister in the fact that he doesn't really care whether

those trees die off in Winnipeg or not. He's only providing a token sum because it was provided by the Minister before him. He's taken no initiative on his own to go after that particular situation and to come out and say, here's my particular statement as Minister of Natural Resources; I am concerned.

The Member for Elmwood, Mr. Chairman, obviously isn't concerned, but we have a situation here where the Minister has the power, has the opportunity, has the money, and has not done anything about it. Mr. Chairman, I find that a tragedy.

HON. L. HARAPIAK: Mr. Chairman, I do care. Mr. Chairman, I would seek advice again from the members opposite if they were to suggest - and it is a legitimate concern in terms of the dollar expenditure. But if we were to spend more money in this area, we would then be having to take from other areas. I would seek advice from the member as to where, within the Department of Natural Resources, he would see a reappropriation?

MR. J. ERNST: Mr. Chairman, if the Minister would like to resign, I'd be happy to take over his position, and we'll see where we can find resources within that department to find - (Interjection) - Well, perhaps then, Mr. Chairman, all the members opposite can resign, and then we'll really save some money. The Minister, Mr. Chairman, doesn't seem to want to put his money where his mouth is in terms of whether he cares about the Dutch elm disease.

Mr. Chairman, one of the other options, of course, is that ultimately we are going to be faced with the loss of those trees. One of the other options is to provide a mature replacement stock. And in order to do that, work has to be undertaken now so that those trees have an opportunity to mature and can be planted at the time that the major losses occur again over a period of time.

Is the province undertaking any nursery programs to create mature nursery stock that will be available when we do face the loss of these beautiful trees?

HON. L. HARAPIAK: Just a concluding comment on my part, Mr. Chairman, though we are concerned and we are putting money forward, we should not create an impression that the disease is out of hand. When we look at the overall mortality rate, we are faced with a 1 percent to 2 percent mortality. Within the City of Winnipeg, because of that very excellent effort, combined effort, a major contribution by the city, it is lower than that so that we are not losing massive amounts.

Now if we can have the continued support and if we can overcome some of the difficulties that arise out of situations such as that described in a municipality neighbouring the City of Winnipeg, I think we can ensure that there will be good tree cover for the City of Winnipeg for years to come.

MR. J. ERNST: Mr. Chairman, the Minister didn't answer the question.

Is the province providing any money or any type of program for the replacement stock for trees lost to Dutch elm disease? If so, how much money are they spending on it? That's the question.

HON. L. HARAPIAK: Mr. Chairman, I indicated that our funding was dedicated to combatting the disease. We do not have a program for funding the replacement of stock.

MR. DEPUTY CHAIRMAN: Resolution No. 124—pass.

Resolved that there be granted to Her Majesty a sum not exceeding \$7,428,100 for Natural Resources, Forestry—pass.

Item No. 8., Fisheries - the Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, to the Minister, in the Fisheries section, there is a two-pronged category here. One is the sport fishing aspect of it, and one is the commercial fishing aspect of it. We'll try and maybe do the same thing here. We could deal with the commercial fishing and then the sport fishing, and then we could pass this section, if that's acceptable.

I just want to raise a general concern. I've had the occasion, and I'm sure the Minister has had the occasion to be contacted by various groups and individuals who have expressed the concern to what's happening to the fish industry in the province, especially in areas, the sport fishing aspect of it and the many lakes, there's a major concern developing there. Not only that but, in the commercial end of it, there's a major concern as to how long will our resource last and what are we doing to protect that resource.

My understanding is there's a group that has been formed among the commercial fishermen that are, I think, a committee of some nature, and I believe some of the people from the department are going to be meeting with them, possibly this week somewhere along the line. I don't know whether the Minister is aware or not, but it just illustrates the fact that there's a major concern in terms of what's happening with our fish industry, both commercial and sport fishing.

I found it most interesting yesterday that the Minister made a comment indicating that our fish hatcheries were not being utilized to the maximum, when the request was made by the Member for Roblin-Russell in terms of establishing more fish hatcheries, and the Minister indicated we were underutilizing the ones that we have. He indicated that, at the present time, our hatcheries are brimming full of fry or fingerlings in terms of the hatching program that's going on.

I wonder, I have difficulty really understanding what the Minister is meaning by that, because you talk to any organization, you talk to the commercial fishermen, you talk to the sport fishermen, and they all have a major concern in terms of stocking should continue. That is why we have lakes like Lake Winnipegosis that has been closed to commercial fishing because of lack of fish. Now somewhere along the line, there has to be a direction and a positive program coming forward in terms of what is the long-range potential for our fish industry, both commercial as well as the sport fishing end of it.

Just on the sport fishing end of it, when I look at an industry that is directly, in licences alone, bringing in over \$1.6 million, that is just direct in licence fees. Related to that, I think we're looking at, talking to some individuals who have been doing some research on it, they claim that it could be an industry that's worth to the tune, in the sport fishing end of it alone, of \$180

million when you take the ripple effect of everything that is involved in terms of the sports equipment, etc., etc. We have a major industry here, and I'd like to see the Minister give some direction as to how he sees this industry moving on.

I also want to raise - and the Member for Gladstone who is my assistant certainly has some keen interest in the area of commercial fishing - the concern and ask the Minister to justify why its experimental program that was established on Lake Manitoba for the catching of perch during the winter months, why that was, after two years, discontinued because when you talk to the commercial fishermen, obviously they seemed to feel that they've had a much better catch in the last year because of that program. And I understand the Minister's probably going to say, well, they were catching some sauger at the tail end of the last year, and that's the reason they discontinued that program. But obviously it's done a lot to enhance the pickerel fishing and the pickerel populations on Lake Manitoba.

So I wonder if the Minister could give us a bit of an outline as to what his program is, what he sees within his department, the direction that they're going and then maybe . . .

HON. L. HARAPIAK: Mr. Chairman, perhaps before I make my comments I would like to introduce the staff member who has joined us. At my right is Worth Hayden, and Worth is the Director of the Fisheries Branch.

I want to indicate to the Member for Emerson that, in terms of the concerns expressed by fishermen, whether sport fishermen or commercial fishermen, I am glad that they are expressing that concern because, in terms of the various resources we have, it is clearly my wish - and I hope would be the wish of all people involved with the resource management - that we want the users of the resource to be part of that process of management.

Clearly, we do not see that we should be making these management decisions apart from the resource users, and I'm glad that they would feel comfortable enough and open enough in terms of their relationship with the department that they would bring those to us and work with us in terms of resolving the issues that are genuine, legitimate concerns.

There is, in this branch, the sort of twofold interest that the Member for Emerson has pointed out, (1) trying to meet the needs of commercial fishermen, the other being to meet the needs of sport recreational fisheries. And in addition, I would want to point out the need to meet the needs of subsistence users, or what some would identify as domestic fishery. We do have to address all of those concerns.

I would never suggest that there will not be some limitations on our capacity to meet those demands. Fishing is very popular as a recreation, and I'm delighted that in Manitoba we can provide the opportunities that we have for that particular kind of recreation. In addition, we do have some very successful operations in terms of commercial fishing. For some, in some parts of the province, this tends to be a more seasonal approach to earning an income, where for others it is a business that is operated on a year-round basis.

I want to point out that, in terms of communication with the different users, we have various links of

communications. For example, there is a fishermen's association on each of the commercial lakes: Lake Manitoba, Lake Winnipeg, Lake Winnipegosis, as three examples.

I've had the opportunity to meet, along with the Member for Gladstone and some others, with the fishermen from Lake Manitoba. I've had the opportunity to meet with fishermen from Lake Winnipeg and have met, of course, with the fishermen from the commercial fishermen from Lake Winnipegosis, three of those regions.

I was pleased to be able to be in attendance in Swan River on Friday night at a banquet sponsored by a newly formed organization that is called the "Swan Valley Fish Enhancement Incorporated." It's an organization of sport fishermen in the area who want to contribute and enhance the sport fishery. I should point out that they had in attendance some 225 people, a very enthusiastic group of individuals, who contributed, enjoyed each other's company, but were looking forward to making a contribution to the enhancement of the sport fishery in that region.

I should serve warning, I suppose, to the rest of the province that they're very ambitious and they see that they could expand their activities, not for their own purposes, but they would see this kind of activity expanded to other communities in the province and the City of Winnipeg, wherein there are many individuals who enjoy the sport fishery. Perhaps organizations of this sort could see the development of fund-raising activities as well as providing a pool of support, which in some cases labour to become involved in resource management programs. So I am very pleased with the kind of communication that we have had.

The Habitat Heritage Corporation is another example of an agency which was created by government, funded by government, to the extent of one-quarter of a million dollars last year, which has undertaken habitat enhancement programs in various parts of the province to deal with fisheries in some instances, and wildlife in others.

(Mr. Chairman in the Chair.)

In addressing the question of the stocking, our fish hatcheries have in the last few years not been fully utilized for different reasons. For example, there was considerable controversy about the shutting down of the hatchery for the winter months at Grand Rapids, but that hatchery, when it operated, was intended to supplement or to support the stocking efforts of the whitefish.

Now at this point in time, the whitefish stocks are in excellent shape in the lakes, and we thought that we should not be spending our limited funds on enhancing a particular fish stock which mother nature had provided well for in the last few years. So we were redirecting our efforts in different areas, keeping in mind clearly that we said that was a winter closure. We were going to operate the Grand Rapids Hatchery in the pickerel-rearing program, which in fact we are doing at this time.

But stocking is only one component of fisheries management. We have never been of the view that by way of dedicating our resources to fish stocking that we could address the problems associated with the

fisheries, whether they be sport fisheries or commercial fisheries. We do have to look at the questions of harvest levels, and we do manage that both for recreation purposes and commercial.

We do have to address the questions of land use which have an impact on the water quality, particularly those streams where the spawning takes place. So it really is, Mr. Chairman, a number of factors that will come to play on the question of the health of the fish stocks, supporting the stocking program. By way of the hatcheries is one component of that, and we are very pleased at this time that there has been an excellent take of spawn for pickerel, using Lake Winnipegosis as example, the lake which we did close to commercial fishing for the summer season last year. When they were taking spawn, only recently there was an estimated tenfold increase in the number of spawners, so we had a very successful take of spawn in that location and in others.

I want to point out that, when we're talking about land use, it should not be taken to mean that we're talking only about agricultural land use but land use for any purpose. For example, forestry activities in a given area, by way of requiring a stream crossing, could have an impact on fish reproduction.

Finally, Mr. Chairman, I would like to make a brief comment on the Lake Manitoba experimental program, the perch fishery, which we had discussed briefly a couple of days ago. The program was in place for two years. Some problems started to arise in the second year of the program, and it was really in consultation with the fishermen of the lake - and I recognize fully that there are some differences of opinion among the fishermen on the lake. But a decision was made to discontinue the three-inch perch fishery for this year, but that we would be prepared to look at it and operate it as what is referred to as a pulse fishery meaning that, from time to time, we would open the lake to the three-inch mesh for the fishing of perch. So it was not a decision that was made apart from the input of the Lake Manitoba fishermen.

MR. CHAIRMAN: The Member for Gladstone.

MRS. C. OLESON: Thank you, Mr. Chairman.

Well, I want to discuss some of these problems regarding the South Basin fishermen the Minister and myself and others met with earlier this year. The Minister said just now that there would be consideration to using a three-inch mesh again. Is he intending to allow that for next year?

HON. L. HARAPIAK: Mr. Chairman, before I answer that question specifically, I would like to give some further background that I have here on the experience with the three-inch fishery.

In 1985, the first year that we were in operation, 10 percent of the catch was walleye and sauger. In the second year of operation, 62 percent of the catch was walleye and sauger. So clearly, when we were having that level of walleye and sauger, and remembering that we are catching with a three-inch net, we would be catching the smaller fish, and that would be having a detrimental impact on the future stocks. Our judgment was that it was too great a risk to the fishery in that respect.

You have to keep in mind that we have, I think, between 600-700 licensed commercial fishermen on Lake Manitoba, recognizing that some of those have a very limited level of harvest; others pursue it quite intensively. So we do have a large number of people who have an interest in the commercial fishery on Lake Manitoba. And frankly again, I would rather err on the side of caution rather than have a situation develop as we have on Lake Winnipegosis, where we've had to close the fishery to the open-water season. That is a rather drastic measure to have to take. So our intent is to monitor the fishery on a year-to-year basis. At this time a decision has not been made to allow that for the coming year.

MRS. C. OLESON: The Minister just gave me some figures. Are these figures of commercial fish - fish for commercially - are they figures of a test that he did or that was done by his department?

HON. L. HARAPIAK: Mr. Chairman, these figures are based on the catches of commercial fishermen during the months of January and February.

MRS. C. OLESON: There seems to be some discrepancy from what I'm told by the fishermen themselves and what the Minister's department is telling us.

There are tests, I know, mesh tests done on the lake. At what time of the year are these tests done? What time of the year are the mesh tests done?

HON. L. HARAPIAK: Mr. Chairman, the test netting is done in that same period of time that the commercial activity is taking place, and that is January and February.

But I want to repeat again, Mr. Chairman, that the decision that was made to close the fishery was supported by the Lake Manitoba Fishermen's Association. Now I recognize that there was a difference of opinion, that some of the members of the association from the South Basin had a different view, but we were responding to the association, so it is not as though we proceeded apart from any input. The decision was supported, as I said, by the Lake Manitoba Fishermen's Association.

MRS. C. OLESON: It seems to me, Mr. Chairman through you to the Minister, I think part of the problem must be that there are different results from the South Basin than there are from the North Basin. Are there two distinct fishing patterns in that lake?

HON. L. HARAPIAK: Mr. Chairman, all of the three-inch mesh was from the South Basin. There was no three-inch fishery in the North Basin.

MRS. C. OLESON: Could the Minister explain why that would be? Did the north fishermen not want it, or was it biologically efficient to do it that way? What was the reasoning behind the difference?

HON. L. HARAPIAK: Mr. Chairman, the decision to proceed with the experimental fishery in '85 was really a response to the fishermen. We felt that we knew enough about the distribution of the fish in that area

that we could proceed with the experiment in the South Basin. But I think that if we were to look at proceeding with this in another year, it would be done for the entire lake.

MRS. C. OLESON: Could the Minister tell us what checking, what enforcement is done on the lake during the commercial fishing season to check on what mesh size the fishermen are using? For instance, how many C.O.'s are involved in checking the lake?

HON. L. HARAPIAK: Mr. Chairman, it's a little difficult for us to answer that because that responsibility comes under Regional Services. It is not the responsibility of the Fisheries Branch to do the enforcement. But our estimate is that there are some six NRO's involved in the South Basin who would dedicate some time, or at least some of their duties, to the fishery. We could get more specific information for the member from Regional Services and pass that on.

MRS. C. OLESON: Yes, you might include the information on how many there are in the North Basin as well.

Now in discussing this with fishermen - and of course I'm not a biologist so I have to listen and weigh what they tell me, but they are quite convinced that the smaller mesh size would increase the population of pickerel. Of course, that is the delicacy that the American market is mainly looking for, good Manitoba pickerel. It seems to me that, with an industry like this, we should be encouraging that.

Now they claim that the small mesh size would hurt the lake and these people are people who have been in the industry for a great many years, know the lake probably as well as they know their own backyards. They know where the fish are, they know what seasons they're active and when they're not and they know when - for instance, last year, they were asking for a smaller mesh size in just one particular segment of the winter because of the dormancy of the fish at one particular time. They claim, as I say, that the more perch taken, that would give a chance for the pickerel to thrive.

They also point out, of course, that Lake Winnipeg has had a three-inch mesh size for 50 years, and has that been detrimental to Lake Winnipeg fishing? They maintain that Lake Manitoba is not overfished, and a few minutes from now I'll have some questions on the licensing because, of course, we must realize that not all the people who have a licence are actually taking a large quantity of fish.

They tell me that the North Basin had a very poor fishing season this year and the South Basin had a good one. The year - or was it two? - before that they had the three-inch mesh, so if it's the way that the Minister is telling me, then the North Basin should have - if that follows - had the better fishing.

The Minister has just told us that the government does their mesh testing in the winter. The fishermen were of some opinion that perhaps it was done in the summer, and maybe the tests weren't as accurate as they could have been. But if he's telling me they do it in the winter in the commercial fishing season, well, that's good. They also claim - and of course there is

no way of verifying it - that there are more fish taken out of the lake illegally in the summer than there are commercially in the winter.

So I think it bears quite a bit of looking at, because they also claim that the perch are taking over and they're killing out the pickerel and the jack fish. As I said, the pickerel are the delicacy that the market, for instance in the United States, is looking for.

The fishermen tell me that they are looking into the long-term viability of their industry; they depend on it a great deal. Some of them, of course, farm as well, and we all know the story of farming in this province and the rest of Canada, so this extra income that they can get in the wintertime through their fishing, often keeps very many of them off the unemployment rolls and it also keeps them able to farm in the summer.

So I think the Minister would be well advised to take a good look at it, and listen to not just one segment of the lake fishermen, which happens to be in the North, but take a look and listen to the other people as well, because I think he will find that there are two schools of thought there, but do we always listen to the one side?

HON. L. HARAPIAK: Mr. Chairman, I recognize that there is a difference of opinion between those of the north part of the lake and the south part of the lake but, if the fisherman are suggesting that what we should be doing is dividing the lake up into different zones and categories, that results in some problems too. Because in other areas, we have been under pressure to remove the zones, and they said, treat this body as one, don't set out lines and areas, so what we want to do is clearly have the opportunity for communication. I'm quite prepared to meet with the Fishermen's Association at any time. I have met with the fishermen from the South Basin in my office.

I have had the Fishermen's Association president in my office, and I'm quite prepared to meet again, but it is important that the fishermen try to come to some understanding on the lake as to what is best, because I have no doubts that they have the long-term future of the industry in mind. But clearly, that is what we too are working for is the long-term viability of the fishing industry.

MRS. C. OLESON: Is there any attempt being done to find a market for rough fish?

HON. L. HARAPIAK: Mr. Chairman, I guess I want to indicate that we do not have a direct role in the marketing, but the Freshwater Fish Marketing Corporation is responsible for marketing. I think they do an excellent job in terms of marketing. The rough fish market is very competitive. We look at the cost of rough fish in Manitoba compared to the cost of rough fish in some of the coastal waters, and it's very, very difficult to be competitive. But we are encouraging the Freshwater Fish Marketing Corporation to continue in its efforts.

I should also point out that the Freshwater Institute is involved in some research projects that would have an impact on some of these areas, and we would encourage them to continue in their efforts, but we do not have a direct role in marketing.

MRS. C. OLESON: Mr. Chairman, on the subject of licensing, has the Minister and his department come up with a decision, as yet, on how the licensing is going to proceed in the future?

HON. L. HARAPIAK: Mr. Chairman, I had a discussion with the fishermen on this particular matter as well. We've met on a few occasions, and what I have indicated to them was that I was wanting to see put in place a system wherein somebody who had invested in the industry and was choosing to leave the industry could recover his or her investment in the industry. But I am not prepared to say that there will be value on quota.

What I am suggesting - and seems to be quite acceptable to the fishermen, I should tell you. The fishermen themselves were saying they did not want to see the quotas bought and sold. So I want to disagree with the Member for Emerson, because the fishermen said what we recognize, we want to have access to the lake. That is really what is happening.

I think in the case of Lake Manitoba, there is a lake quota, not individual quotas, and therefore they don't have an individual share of that to sell. Then that raises the question for me: Should individual operators sell the right of access to the lake? It seems to me that belongs to the Crown. It belongs to the Crown, to the people of Manitoba, and I have no desire to restrict that access, but I don't think that there should be the opportunity for speculation in that particular access.

So what we are looking at, we are going to be meeting with the fishermen later this summer to see if we can put in place that program where clearly we want the fishermen to be able to recover their investment. There would be some provision for where a person left the lake or was leaving the lake, would transfer the licence, I would like to suggest, back to the province, and whoever was the purchaser would then gain access to that permit.

But I, along with the fishermen from the lake who spoke to me, indicated that they were not interested in seeing a value for quota. They were interested more in ensuring that they had access to the lake, and then that there would be the opportunity at some point when they decided to leave the industry that they would be able to recover their investment in their equipment.

MR. A. DRIEDGER: Mr. Chairman, I would be remiss if I didn't just get up and make a few comments at this time.

That has been one of the problems that we've been facing within this department is that we've had so many different views. From the time that the Member for St. James was the Minister and then the Member for Lac du Bonnet and then the Member for Brandon East and then this member here, we've gone the full cycle because the Minister then responsible, the Member for Lac du Bonnet, was the one who initiated value on quota supposedly, and was quite open about it in this Legislature. Then his direction that, if an individual had a quota and he had assets, he could sell that, irregardless of what the circumstances were. Basically, he instigated value on quota.

Then we had the Minister of Agriculture turn around and do the exact opposite with the dairy industry, and that's been part of the problem that we don't have a

consistent approach with this government in terms of what they want to do.

This Minister again is doing an about-turn. He is trying to get around that corner as softly as he can because of the position that has been taken and was accepted by the commercial fishermen who actually promoted, lobbied for the fact that they should be able to sell their equipment with a quota as the transfer took place, you see. Now he is trying to gradually do a sort of a turn around the corner, and he doesn't know how to get around it properly because he's caught in a dilemma in his own view, and he's got his great coach sitting right behind him there who has always had a real problem with these kinds of things.

So that has been the problem that we've had, and that's created a lot of the confusion. The problem is the fact that we have not had consistency in the approach that's taking place in this area.

I find it most interesting now where the Minister is now saying that I don't really promote the idea of value on quota, like you're selling it right on the lake and this kind of thing. I wish this Minister and this government could make up their minds which direction they finally they want to go, because I have no difficulty where I want to go with it. I certainly promote the idea of allowing an individual who has an investment in fishing equipment to take and sell his quota along with the assets that go with it.

HON. L. HARAPIAK: It's interesting to hear the Member for Emerson rise to the bait, shall we say. In that we are speaking of fishing, I hope he recognizes that we are barless, that it'll be catch and release.

I'm surprised to hear the Member for Emerson be critical of us for being open-minded when, only a few minutes ago, when the Member for Gladstone was speaking, he said what you have to do is you have to be open-minded. Now he is being critical -(Interjection)- What he is saying is that we should be dogmatic in our approach, and we should not be prepared to consider anything else.

A MEMBER: You're consistent, Albert; you're consistently wrong.

MR. CHAIRMAN: The Minister has the floor.

HON. L. HARAPIAK: Mr. Chairman, I thought the Member for Emerson would in fact be wanting to laud this kind of an approach where we were not locked into a single mode of thinking, that because there was a particular approach in one lake that we would then say, what is good for that lake must be good for all other parts of the province. I think we should be flexible in our approach; we have done that.

There's a particular system that is in operation on Lake Winnipeg which was put in place and seems to be operating well, and we have the opportunity to assist the fishermen on Lake Manitoba. They are seemingly in agreement with the approach that is being suggested, and I see no problem with that. There will be regional differences as well, Mr. Chairman, so I really don't have any difficulty with the approach. But if what the Member for Emerson is indicating is that we are inconsistent in our approach, I would want to dispute that very

vigorously. I think it just indicates flexibility and open-mindedness on our part, rather than a commitment to a single approach.

MR. CHAIRMAN: The Member for Gladstone.

MRS. C. OLESON: Thank you, Mr. Chairman.

The fishermen have given me some information on how they have suggested that the fishing licences be allocated or what should be happening in that line, and they say that there's unanimous agreement on it. They've no doubt given that information to the Minister but, for the record, I think I will give him some of it now.

Apparently there were 648 licences this year - that's '87; last year there were 710. And the fishermen tell me that they would like it to get back to 400. Now whether that's the opinion of the department, I don't know, but that is what they tell me they're suggesting. They tell me that 191 licences have not sold products, so the fishermen suggest that these become non-transferable, that they not be transferred to anyone else. These 191, because they haven't sold product, should just remain with those people. And approximately eight licences did not produce over 100 kilograms, and the fishermen suggest that they be unable to transfer those licences as well. The remaining should be able to transfer if they can meet the criteria. That's what they are suggesting. There are only actually 90 active fishermen that actually produce a selling product.

A MEMBER: Which lake?

MRS. C. OLESON: Manitoba.

So they want new fishermen in, but they don't want any extra licences as they feel that it would harm the industry. At the time of course - this was awhile ago - they gave me this information I was talking about. They said that they had been unable to get an answer from the Minister as to just how he was going to proceed with the licences, but they stressed to me that the fishermen were unanimous on this, on the suggestion, and were hoping that the Minister would adopt their proposal. Could the Minister comment on that, please?

HON. L. HARAPIAK: I think we would generally accept that there are too many fishermen on the lake, if they were going to pursue it as a commercial activity. We recognize that, for some of those holders of licences, it is probably more a domestic fishery rather than a commercial fishery. The options I suppose would be to say that, if you do not produce up to a certain level, you would have to surrender your licence.

I think the fishermen are in agreement with us that is probably not the approach to take, given that for many individuals it is really a tradition, if you like, or part of the family's history. So that as long as they are maintaining the licence and using it for their own use, they would be allowed to use it, but they would not be able to transfer that licence. When they were not using it, they would have to surrender the licence.

So really the only area in question then is for those who are active fishermen. What would be the process for transfer? Should it be a transfer from one fisherman

to another fisherman, or should there be a mechanism - and frankly this is one that I prefer - where if somebody wanted to leave the lake, would surrender the licence to, say, to the branch of the department or another agency that might be created which would match up those who were leaving, wanted to leave the lake, with those who are wanting to enter.

My concern would be only that that be handled fairly. I have no problem with the idea of bringing the number of licences down to the lake. We are in agreement on that part. It is only the mechanism for the transfer that I want to spend some time working out with the fishermen.

MRS. C. OLESON: I neglected of course to say in my remarks that, if some of these that hadn't sold a great deal of product and some of these that were not actually active, of course that is the criteria. The reason they suggested they have their licences not transferable or be allowed to keep them was because they perhaps just do a bit of fishing to supply their own household and so forth. That is not a strain or a stress on the industry, so that is important to allow them to continue that practice. When they're talking about transferring the licences, of course, you have to have some method that is compatible, I suppose you'd say, with the industry, because there's no point having all of the nets and the equipment if you're not going to be able to get a licence.

So there's that grey area of value. That has to be recognized, that the person who's selling it wants to get out of the industry. They want to realize some money on their investment to be able to retire from it or for whatever reasons. So they need to be able to sell their equipment, and the person buying it needs to be able to have some assurance that they will be able to use it.

HON. L. HARAPIAK: I agree with the Member for Gladstone in terms of that approach, wherein the person who has invested should have an opportunity to recover the investment and somebody going in should have some assurance that he or she is going to have access to the lake. But the only thing that I would not want to see is that there would be value attached to that opportunity, because I have some difficulty with the notion that the person who is trying to access a portion - the value is in having access to the lake. They want to have access to the lake, but should that opportunity to enter the lake have a price tag attached to it beyond the value of the licence which goes to the management of the lake, unless there was some suggestion that whatever they paid for the licence would then be identified as a source of funds toward the lake. Would they be prepared to do that?

MR. A. DRIEDGER: Mr. Chairman, to the Minister, I want to indicate I foresee a major problem here somewhere along the line, and I think the Minister alluded to the fact that he's trying to work out some system of transfer and what have you.

When I look at the annual report, it indicates that we have annual licence holders, 2,436; and my colleague, the Member for Gladstone, indicated that there are approximately 90 to 100 active fishermen. Am I correct in that? So we have, if you look at the

numbers game, if everyone of those licensed fishermen who have a quota would go out and catch fish, the industry would be dead in a very short time; we'd flood the market. I think there has to be some process developed with this department in terms of, like when is a quota - you see the Minister has a dilemma. First of all, he's got the psychological dilemma of value on quota, it cannot be transferred. I'm just wondering exactly how he wants to deal with the issue in terms of all these quota holders out there. The poundage is available to them, they're dormant right now, if they want to, many of them hang on to it. At what time is there a termination of licence or quota if they do not produce?

For example, in the dairy industry - and I use that as a comparison to some degree because I was a dairyman for 17 years - but if you do not produce milk or cream within a period of a year, you lose your licence, you lose your quota. It goes back to the Manitoba Milk Producing Marketing Board. I'm just wondering when will the Minister deal with this issue in terms of what happens with all these quota holders, licensed fishermen who have quota, when we have the ratio of 2,436 - using his figures in his report - versus 90 who are active. He can correct me if I'm wrong, if it's 100, even if it's 200, it is 10 percent. What is he going to do? How is he going to deal with the quota that is available out there in terms of setting up a proper rationale in terms of transfer or deletion of that so it comes back to the government to deal with. I'm asking the Minister, what is his plan of action in this area or does he have one?

HON. L. HARAPIAK: Everything in this department, Mr. Chairman, is well planned. Mr. Chairman, I think what we should do when we're looking at this question is recognize that there are differences from lake to lake, in that on some lakes the fishermen hold a quota, an individual quota; in other lakes, it is simply a lake quota. Then the fishermen, though they say they have a quota, they really only have a licence to go onto the lake and, if a few of them become very active and they harvest the limit, the limit for the lake has been reached and the others do not have access to that.

So in terms of the approach that should be taken, clearly we if we were to, for example, look at the number of people who hold licences on Lake Manitoba, clearly you could not establish an individual quota for each of those than which would exceed the value of the lake because very soon we would be in difficulty. So it is a question, I think, of working with the fishermen in both situations where we already have individual quotas. On some of the lakes, it should be pointed out there are already performance standards, that if you do not produce to a certain level, then in fact you do have to surrender your quota. But that is not in place throughout the province; but the individual lakes, there is that kind of performance standard.

It is not in place on Lake Manitoba obviously because, as we indicated, there are some who have very low levels of production. I think, again, that is a question that we have to work out with the fishermen. What would the fishermen see as the best approach, given a certain level of harvest on a lake? What is their wish? I think we are open to those kinds of arrangements, working with the fishermen, and we do have very active

fishermen's associations, and we do not want to shut them out. We rely very much on their input.

MR. A. DRIEDGER: Well, Mr. Chairman, it's unfortunate that at the tail end of the day, we'll end up with some differences of opinion.

Now the Minister is back to motherhood and the general consulting type of atmosphere. What we need from this Minister is to develop a definite policy that's going to take and address the concerns of all fishermen. His knee-jerking reaction to every group, every lake, that's coming along - and I find it interesting in his report, and I want to raise this with him right now. Under his report - we look at the Commercial Fishermen Report, as well as the Sport Fishing - he has the comparative graphs from '76-77 on the sport fishing end of it; he has the '76-77, the weights of the fish coming in from the various lakes.

Why don't we have the same kind of graph in terms of the licences that have been issued in the last few years? I have here, on page 14, only the figures of the present licence holders, hired men or helpers, winter, annual, ta-ra, and summer. Why don't we have a comparison scale? Can the Minister indicate the increase in licences over the last two years in terms of licences that have been issued for commercial fisherman? -(Interjection)- It's interesting that it's missing.

HON. L. HARAPIAK: Mr. Chairman, if what the Member for Emerson is suggesting is that we could portray this information in a different way so that we can track it, this report gives the information for '84-85. We now have the information for '85 and '86, but it'll be in the next report.

If what the Member for Emerson is saying is that there should be information so that, at a glance, you could track it over a few years, we can certainly incorporate some figures of that sort into our reporting system.

MR. A. DRIEDGER: Can we have that for tomorrow?

HON. L. HARAPIAK: Yes, we could get the information, in fact, for tomorrow, to indicate what the number of licences was for 1985-86, and we can go back to the previous year as well, to '83 and '84, to provide you with a trend line of some sort.

MR. A. DRIEDGER: Mr. Chairman, all I'm trying to establish is that it is my understanding that a helper, if he's been helping for two years, can apply for a licence.

When I look at the amount of licences that are in effect right now and the ones who are active fishermen, I have some concern about what is happening. This is why I'm trying to establish, along with my colleague, the Member for Gladstone, in terms of exactly what's happening in the terms of commercial fishermen.

Where are we going with this? Because if any individual who has been a helper for two years can apply for a licence and then get a licence and a quota to fish, I mean maybe that's why we have these kind of numbers that we have here, and there's not that many who are active but, if everybody turns active, we'll have the lake cleaned out in two years.

I'm just wondering if the Minister can give some indication. That's why I'd like to have the numbers as to what has happened, because anybody who has been a helper, it is my understanding - and maybe the Minister can correct me - if he's been a helper for two years, he qualifies for a licence.

HON. L. HARAPIAK: Mr. Chairman, again there are differences from the lakes. For example, from Lake Winnipeg there would have to be a vacancy before a person could apply.

I don't think we want to leave the impression ever that there will be unlimited access to the resource. It is limited by way of the quota. The lake quotas are the limiting factor and, in some cases, there are limitations by way of the licences themselves. So, clearly, I would want to say to the member, we do not see that we should have unlimited access to the resource. That is part of the management decision in commercial fishing, just as it is in recreational fishing for quotas. It is in sport hunting. It is in the case of hunting for turkeys as well - elk, moose, whatever. We make those decisions that there are limits.

MR. DEPUTY CHAIRMAN: The Member for Gladstone.

MRS. C. OLESON: Could the Minister tell me if they ever reach the lake quota on Lake Manitoba in a season?

HON. L. HARAPIAK: Mr. Chairman, I'm advised that the quota level was reached twice in the last 15 years. There were two occasions.

MRS. C. OLESON: In the last 15?

HON. L. HARAPIAK: That's right, on two occasions in the last 15 years that the quota was reached.

MR. DEPUTY CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, just before the committee rises, I just wondered if I could indicate to

the Minister that, when we next meet, we'll be dealing possibly with Wildlife somewhere along the line once we finish the Fisheries.

I wonder, to expedite time to some degree, if the Minister could probably at that time bring us information as to what his position is in terms of elk ranching so that we don't have to go through the whole process.

I'd like to also have a breakdown of the numbers game, based on the information that was given to me in the Order for Return the other day. I have some questions as to whether that - you know, I just want those numbers verified.

HON. L. HARAPIAK: I'm surprised that the Member for Emerson asks me to clarify my position with respect to elk ranching. Given the publicity that surrounded the decision that was made to give the long-term direction, the position of the department and the government and myself, as the Minister, is amply clear. I don't think there needs to be any doubt on that matter.

MR. DEPUTY CHAIRMAN: Committee rise.
Call in the Speaker.

IN SESSION

The Committee of Supply adopted a certain resolution, reported same, and asked leave to sit again.

MR. DEPUTY SPEAKER, C. Santos: The Honourable Member for Inkster.

MR. D. SCOTT: Mr. Speaker, I move, seconded by the Honourable Minister of Natural Resources, that the Report of the Committee be received.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The hour being 6:00 p.m., the House is now adjourned and stands adjourned until 1:30 p.m. tomorrow. (Wednesday)