



First Session — Thirty-Fourth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

37 Elizabeth II

*Published under the
authority of
The Honourable Denis C. Rocan
Speaker*



VOL. XXXVII No. 32 - 1:30 p.m., THURSDAY, SEPTEMBER 8, 1988.

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fourth Legislature

Members, Constituencies and Political Affiliation

| NAME | CONSTITUENCY | PARTY |
|---------------------------------|--------------------|---------|
| ALCOCK, Reg | Osborne | LIBERAL |
| ANGUS, John | St. Norbert | LIBERAL |
| ASHTON, Steve | Thompson | NDP |
| BURRELL, Parker | Swan River | PC |
| CARR, James | Fort Rouge | LIBERAL |
| CARSTAIRS, Sharon | River Heights | LIBERAL |
| CHARLES, Gwen | Selkirk | LIBERAL |
| CHEEMA, Gulzar | Kildonan | LIBERAL |
| CHORNOPYSKI, William | Burrows | LIBERAL |
| CONNERY, Edward Hon. | Portage la Prairie | PC |
| COWAN, Jay | Churchill | NDP |
| CUMMINGS, Glen, Hon. | Ste. Rose du Lac | PC |
| DERKACH, Leonard, Hon. | Roblin-Russell | PC |
| DOER, Gary | Concordia | NDP |
| DOWNEY, James Hon. | Arthur | PC |
| DRIEDGER, Albert, Hon. | Emerson | PC |
| DRIEDGER, Herold, L. | Niakwa | LIBERAL |
| DUCHARME, Gerald, Hon. | Riel | PC |
| EDWARDS, Paul | St. James | LIBERAL |
| ENNS, Harry | Lakeside | PC |
| ERNST, Jim, Hon. | Charleswood | PC |
| EVANS, Laurie | Fort Garry | LIBERAL |
| EVANS, Leonard | Brandon East | NDP |
| FILMON, Gary, Hon. | Tuxedo | PC |
| FINDLAY, Glen Hon. | Virден | PC |
| GAUDRY, Neil | St. Boniface | LIBERAL |
| GILLESHAMMER, Harold | Minnedosa | PC |
| GRAY, Avis | Ellice | LIBERAL |
| HAMMOND, Gerrie | Kirkfield Park | PC |
| HARAPIAK, Harry | The Pas | NDP |
| HARPER, Elijah | Rupertsland | NDP |
| HELWER, Edward R. | Gimli | PC |
| HEMPHILL, Maureen | Logan | NDP |
| KOZAK, Richard, J. | Transcona | LIBERAL |
| LAMOUREUX, Kevin, M. | Inkster | LIBERAL |
| MALOWAY, Jim | Elmwood | NDP |
| MANDRAKE, Ed | Assiniboia | LIBERAL |
| MANNES, Clayton, Hon. | Morris | PC |
| McCRAE, James Hon. | Brandon West | PC |
| MINENKO, Mark | Seven Oaks | LIBERAL |
| MITCHELSON, Bonnie, Hon. | River East | PC |
| NEUFELD, Harold, Hon. | Rossmere | PC |
| OLESON, Charlotte Hon. | Gladstone | PC |
| ORCHARD, Donald Hon. | Pembina | PC |
| PANKRATZ, Helmut | La Verendrye | PC |
| PATTERSON, Allan | Radisson | LIBERAL |
| PENNER, Jack, Hon. | Rhineland | PC |
| PLOHMAN, John | Dauphin | NDP |
| PRAZNIK, Darren | Lac du Bonnet | PC |
| ROCAN, Denis, Hon. | Turtle Mountain | PC |
| ROCH, Gilles | Springfield | LIBERAL |
| ROSE, Bob | St. Vital | LIBERAL |
| STORIE, Jerry | Flin Flon | NDP |
| TAYLOR, Harold | Wolseley | LIBERAL |
| URUSKI, Bill | Interlake | NDP |
| WASYLYCIA-LEIS, Judy | St. Johns | NDP |
| YEO, Iva | Sturgeon Creek | LIBERAL |

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, September 8, 1988.

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, I have a statement, and I have copies.

I take a great deal of pleasure in rising today to inform the House and all Manitobans that a grain ship will visit the Port of Churchill during the current shipping season.

The Canadian Wheat Board has informed us that a Norwegian grain ship will arrive at Churchill within the first two weeks of October. At this time, the projected arrival date is October 3.

Of further significance is the fact that the Norwegian vessel will be loaded with 25,000 tonnes of wheat when it arrives. As I am sure you are aware, Churchill has been used primarily for the shipment of barley in the recent past. In fact, the last time wheat was shipped through Churchill was 1985.

Mr. Speaker, I would be remiss if I did not make use of this opportunity to express the gratitude of not only the community and the workers of Churchill but of all Manitobans to the Canadian Wheat Board for their consistent efforts and this very positive result. It is important to note that the use of Churchill is not as a result of the political interference but rather the legitimate fulfillment of Churchill's role in the Canadian grain movement system. This shipment, accomplished in the manner it was, underlines Churchill's positive and proper role while assuring that prairie farmers receive the appropriate benefits from the wheat sale.

* (1335)

Mr. Speaker, the contribution of the all-Party committee on Churchill must be mentioned as well. Further development of the Port of Churchill will certainly be enhanced by the kind of dialogue established through the committee.

Mr. Speaker, this Government has maintained from the outset that a cooperative non-confrontational approach to the use of Port of Churchill would bear fruit. Clearly, that is what has occurred.

Not only does the arrival of the grain ship underscore Churchill's position in the grain transportation system, but the fact that the grain involved was sold at fair market value, and that the use of the port was accomplished without political interference underlines as well Churchill's ability to compete with any other port in use today.

This Government remains committed to Churchill as a community, as a port and as an important part of the Manitoba scene. Thank you.

Mr. Laurie Evans (Fort Garry): I am thrilled to be able to respond to this on behalf of the Liberal caucus and as one of the Members that sat on the all-Party committee, and I am certainly very pleased to be able to welcome the comments from the Minister of Highways and Transportation (Mr. Driedger).

I think this is just excellent, to be able to demonstrate that the cooperation among the three Parties has been able to result in this. While it is a relatively small step, I think it is a situation that will impress upon all of us the necessity of keeping this committee together. I think the fact that it comes at this timely moment, which is just prior to the meeting that is going to be held this evening with all participants who are all those who are interested in the Port of Churchill, I think bodes well for the fact that we can move forward on a cooperative basis and get something done.

I believe the last comment the Minister made is the one that I would like to emphasize, and that is the fact that there was no necessity to put on what I would regard as political influence to get this done. It was something that was initiated and was done by the Wheat Board, while being able to maintain an arm's length relationship with the Minister involved, and I think that is one of the things that is most important.

This is a move in the right direction. It is a small one, but I think it will lead to much better things, and I am very pleased to respond.

Mr. Jay Cowan (Churchill): Mr. Speaker, I think that your smile must as well be noted in my comments, and we thank you for your continuing support of the Port of Churchill. I know that you share our joy in this very welcome news, as do all Members in the House. It is a bit later than we would have hoped, but it is good news nonetheless.

I have to take note of the fact, and I think others should take note of the fact, that while there may not have been political interference in the workings of the Wheat Board, it is interesting to note that this announcement comes on the very day that the all-Party delegation was going to meet with representatives of the federal Government to lobby extensively on behalf of Churchill.

That is an initiative that we have been calling for, the New Democrats have been calling for, on a number of different occasions in this House, because we knew that sometimes, while political interference may not be necessary, political will is necessary, and there was a lack of political will on the parts of some Parties in this whole affair.

It is interesting to note that with that political will, and the people were going to speak very loudly this

evening, we did have a result. So I think that all those who have joined with us over the past number of weeks and number of months in showing their support for the Port of Churchill and putting pressure on the federal Government should also take some great pride in having accomplished that which they sought to do.

On behalf of the New Democratic Party caucus, on behalf of my constituents, the residents of Churchill, the residents of the bayline communities, in fact, all Manitobans, it is indeed a pleasure to be able to congratulate those who were responsible on this shipment.

I think now, however, we must turn this potential crisis into an opportunity. We must immediately turn our efforts, those collective efforts, of not only Members in this House but Members who support Churchill at the federal level and citizens who support Churchill across this country, we must immediately turn our efforts towards extending the season this year, making certain that icebreakers are in place, expanding the use of the port and ensuring that we never have to go through this sort of tragic situation again, even though the outcome at this point in time appears much more optimistic.

Let us not let this happen again. Let us use the momentum that we have started here to ensure that the Port of Churchill not only has a shipping season this year that is valuable, but has an expanded use in years to come.

An Honourable Member: Hear, hear!

* (1340)

ORAL QUESTION PERIOD

Mrs. Sharon Carstairs (Leader of the Opposition): Before I put my question, the Liberal caucus would, of course, like to recognize its new Member, the Member for Springfield (Mr. Roch).

Child Welfare Agencies Funding Reductions

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, as days go by, we see increasing examples of insensitivity and high-handedness on the part of this Government—public funds being used to pay for self-serving surveys, appointments made to a northern board without any consultation or concern for the Native people of this province. Yesterday we learned that the Minister of Labour (Mr. Connery) is handing out Government business to friends. Now, in spite of repeated assurances by the Minister of Finance (Mr. Manness), we are informed that all agencies in this province will see their funding reduced.

My question to the First Minister (Mr. Filmon) is: Has funding to child welfare agencies been reduced in this province?

Hon. Clayton Manness (Minister of Finance): Let us correct a misimpression that has been left by some

Members of this House. The question was asked yesterday: Did the Minister of Finance mislead the House on August 29 when he said that there would be no reductions this year? The answer to that question is "no." There has been no overall decrease in the Child and Family Services system over last year. There is a 4.5 percent increase over last year's expenditures and a 21.7 percent increase over last year's vote, for a total of \$69.136 million this year.

Child and Family Services Staff Redeployment

Mrs. Sharon Carstairs (Leader of the Opposition): Yesterday the Minister of Community Services (Mrs. Oleson) informed this House that she was not aware of any staff cuts to central Manitoba, and yet she signed the letter which eliminated three positions. Why are we receiving on this side of the House, Mr. First Minister (Mr. Filmon), information which is different in Question Period than that which we received in the Estimates process?

Hon. Charlotte Oleson (Minister of Community Services): Mr. Speaker, I did not tell Central Agency of Manitoba that they were cutting staffpersons. There is no cut, to my knowledge, of staff at that agency. That agency is responsible for their own staffing. They have not indicated to me that they are cutting staff.

Mrs. Carstairs: Can the Minister explain why there are thousands of dollars in staff cut dollars from that agency?

Mrs. Oleson: That agency, for the Leader of the Opposition (Mrs. Carstairs), had a surplus in their funding last year. They did not need all the money that was provided. Another agency in the province was in desperate need of three staffpeople so we used some of the funds of the surplus of that agency to pay them. I do not think the Member would like one agency to build up a fund while another agency did without. We are responsible for the taxpayers' dollars and some accountability, and that agency, Northwest, needed three staffpeople. That is where we found the funds.

* (1345)

Child and Family Services Funding Allocations

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, a question to the First Minister (Mr. Filmon).

Is it the policy of the new Government that those who hoard their pennies carefully and watch their expenditures will be penalized, and those who are spendthrifts will be rewarded?

Hon. Gary Filmon (Premier): Mr. Speaker, I regret that the Leader of the Opposition (Mrs. Carstairs) has suggested the Northwest Child and Family Services agency are spendthrifts. The reality is it is her and her Opposition who, day after day after day in this House, are identifying needs in the child welfare system. Those

needs are there and those needs have to be met. We do not think that it is appropriate to not meet needs that are identifiable, that are there in the agencies, and at the same time allow funds to be built up in an area where they are not being used. We have to meet the needs of the children of this province and we are doing so by ensuring that the funds are put to the best use where they are required. If the Leader of the Liberal Party (Mrs. Carstairs) believes that we should starve the Northwest Child and Family Services and other agencies, then let her say that.

Child Welfare Agencies Philosophy Changes

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, the policy with regard to Child and Family Services in the past has been to create a sense of creativity and innovation. One of the ways in which they did this was to take money from care of one variety and make sure the children remain in their homes wherever possible. Why is your Government changing that philosophical direction?

Hon. Gary Filmon (Premier): Mr. Speaker, I am sure that you will inform the Leader of the Liberal Party (Mrs. Carstairs) that after almost three years in this House, she should know that she does not ask the questions of me but she places them to the Speaker.

Having said that, we are interested in making maximum use of scarce tax dollars. We have provided increased funding throughout Community Services, throughout Health—a 9.1 percent increase in Community Services, a substantial increase in Health dollars in this province—and our mandate is to ensure that those tax dollars, those scarce tax dollars, are used as effectively and as efficiently as possible for the benefit of the children who require our care. That is what we are doing.

We are not embraced in ideological blinders. We are not trying to be the irresponsible “have it all ways” that the Liberal Party are. We are trying to recognize that we have problems to solve in this province of ours in Community Services, in health care, in all of the vital services people depend upon, and we are trying to manage well to make maximum use of those scarce tax dollars. I think that is what the Liberal Leader (Mrs. Carstairs) said she wanted to see us do prior to the election and prior to the Budget, and now she has changed her mind.

Mrs. Carstairs: Mr. Speaker, I apologize for not putting the question through you. I probably would have gotten an answer that way.

With a question to the First Minister (Mr. Filmon). Is it the policy of his Government that innovation will have its reward by having funds removed from its Budget?

Mr. Filmon: No, Mr. Speaker.

Child Welfare Agencies Impact Study Results

Mr. Gary Doer (Leader of the Second Opposition): My question is for the Minister of Community Services and Corrections (Mrs. Oleson).

I would ask the Minister, knowing full well the agencies that have been created have developed a number of volunteers—in fact, in Northeast Winnipeg, there are over a hundred volunteers where there used to be none with the new agency. There are literally hundreds of people involved in the community and activities, including Conservative MLAs. There are three and four offices in the community now where there were none.

Did the Minister conduct an impact study on the \$70,000 or \$67,000 that was reduced from their budget to provide prevention in the Child Welfare Agency in Northeast Winnipeg?

Hon. Charlotte Oleson (Minister of Community Services): Mr. Speaker, I will take that question as notice.

Mr. Doer: Well, Mr. Speaker, I find that atrocious, that the Minister would take the money away and then would not be able to tell this House what the impact of those cuts will be.

* (1350)

Child Welfare Agencies Preventative Programs

Mr. Gary Doer (Leader of the Second Opposition): My question is to the Minister. Prior to her removing and cutting the \$67,000 from the Prevention Fund, was she aware that the program in the Transcona School Division, the Elmwood School Division, the East Kildonan School Division, dealing with touching programs in the schools would be cut as a result of her reduction in the money for preventative programs in the Child Welfare Agencies?

Hon. Charlotte Oleson (Minister of Community Services): Mr. Speaker, I do not have my Estimates Book with me. I do not have the information. I am not sure that there is a cut that the member is referring to, and I said I would take this as notice.

Mr. Doer: Mr. Speaker, how a Minister can cut money without knowing what the impact will be on people is beyond me.

My question to the Minister is: Is she aware of the demoralizing effect this has on the hundreds of volunteers who raise money for preventative programs in the communities, one of whom is Donnie Lalonde who helped raise money in that particular community with volunteers to put it into preventative programs? Is she aware of the impact on the volunteers and the preventative programs in the northeast district and all other districts, indeed, in this city?

Mrs. Oleson: Yes, I am well aware that the volunteers do an invaluable service in all aspects of communities.

I told the member that I would get the information for him.

Program Cancellation Reversal

Mr. Gary Doer (Leader of the Second Opposition): Mr. Speaker, my question is to the First Minister (Mr. Filmon). We have the information and she does not.

Mr. Speaker, I would ask the First Minister to immediately reverse the decision to cut back preventative money to the Child Welfare Agencies until the impact study, in terms of the effect on the children, is conducted. I would ask the First Minister to reverse that decision today and have the impact study prior to going willy-nilly and cutting back money.

Hon. Gary Filmon (Premier): Mr. Speaker, the Leader of the New Democratic Party (Mr. Doer) wants to create the false impression that we have cut back funding to Child and Family Services. In fact, in these Estimates it is up 4.5 percent overall. Overall, funding for Community Services is up 9.1 percent.

Mr. Speaker, the fact of the matter is that departments, officials and agencies all get together to choose the priorities that they will use these scarce funds. There is never enough money.

When he was in Government, his Government was making cuts all the time in programs. They closed down hospital beds, Mr. Speaker, without ever looking at the impact, just simply because of budgetary—their imposed budgetary—restraints.

The fact of the matter is that you have thousands of people out there doing their best job on behalf of the Community Services, and they are making decisions as to how to prioritize and juggle these scarce dollars. But overall, we have provided 4.5 percent additional funding for child welfare agencies, and overall, we provided over 9 percent more for Community Services. Those individual decisions have to be made with regard to the input of many hundreds of people in the system and that is the way that they are made.

* (1355)

Friends of Meech Lake

Mr. James Carr (Fort Rouge): My question is to the First Minister (Mr. Filmon).

In spite of the fact that we, on this side of the House, have tried consistently to put the First Minister on the record on the subject of the 1987 Constitutional Accord, he has refused, and the reason he has refused is because he anticipates that the public will edify him during the public hearing process, and we respect that. If the First Minister does not want to take a leadership role and give his views to the people of Manitoba, that is his prerogative and he will be judged for it.

My question to the First Minister is this: Given the fact that he will not tell the people of Manitoba his position and in light of the fact that he is relying on the public hearing process, can the First Minister tell

us if he is aware of any group called "Friends of Meech Lake" which is being organized by the Progressive Conservative Party?

Hon. Gary Filmon (Premier): As a matter of fact, I am not aware of any group known as "Friends of Meech Lake" that is being organized by the Progressive Conservative Party in Manitoba or across this country. So perhaps the Member for Fort Rouge (Mr. Carr) could tell me a little bit about the group.

Mr. Carr: I have far more sympathy with the group called "Committee to Amend Meech Lake" than a group called "Friends of Meech Lake."

Meech Lake Public Hearings

Mr. James Carr (Fort Rouge): We have now been sitting in this House for somewhere around two months and this Government has been in power over four months; still, the First Minister refuses to tell us when he will introduce the 1987 Constitutional Accord. Perhaps now that the leaves have a tinge of orange and summer is moving into fall and the Minister of Urban Affairs (Mr. Ducharme) has promised us that we will have fall hearings, perhaps the First Minister will tell us when the public hearings can be expected.

Hon. Gary Filmon (Premier): Mr. Speaker, I will repeat the same answer that I gave the Member for Fort Rouge (Mr. Carr) at other times in this House. He obviously, if he listens, does not understand that the decision on the timing of the hearings will be made by the committee that is struck by this Legislature to decide on the locations of the public hearings, the time and the date of those public hearings.

Just so that the Member for Fort Rouge understands, I have indicated to him that I support the Meech Lake Accord in principle; that I have heard the arguments that are placed before us with the dozens and dozens of groups that we have met with. I have heard his arguments against Meech Lake and they have not altered my position in favour of the principle of Meech Lake.

However, we are committed to public hearings. We are committed to listen to every single person who wants to be heard, and should they be able to raise an issue that has not been thought of, that has not been covered, that there is not an answer for in the Meech Lake Accord, and the legal opinions and the opinions of the constitutional experts, that there is not an answer for that, then we will have to consider how to deal with that matter. We cannot consider that until we have heard the public.

Unlike the Member for Fort Rouge and his Leader and his Party, we are not saying, as they are, that their mind is made up, do not confuse them with the fact; do not listen to the people, they have already made up their mind.

Mr. Carr: Unlike the First Minister (Mr. Filmon) of this province who refuses to take a leadership position—

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Mr. Speaker: With a question.

Mr. Carr: —the Leader of the Opposition (Mrs. Carstairs) and those on this side of the House are prepared to take a leadership position.

Mr. Speaker: The Honourable Member will kindly place his question.

Meech Lake Committee Nominations

Mr. James Carr (Fort Rouge): My question is to the Minister responsible for Constitutional Affairs (Mr. McCrae), and my question to the Minister is simple. When does he expect to engage in consultations with House Leaders to strike the committee?

Hon. James McCrae (Minister responsible for Constitutional Affairs): In due course, Mr. Speaker.

* (1400)

Wife Abuse Program Northern Funding Cease

Mrs. Gwen Charles (Selkirk): My question is to the Minister of Community Services (Mrs. Oleson).

The Minister for Community Services has ceased funding for the Manitoba Committee on Wife Abuse. She has not funded any other association or committee to do their work or to act in their place. Can the Minister explain what repercussions this has on northern communities?

Hon. Charlotte Oleson (Minister of Community Services): Yes, I ceased funding to that committee. Any clients that they had, that were in their counselling service, were seeking other means for them to be accommodated—if that is what the Member means by her question.

Mrs. Charles: Again to the Minister of Community Services. Can she explain why, in Canada, one out of 10 women are abused in the home situation; however, on the reserves of the North, there is one out of three women being abused in the home situation? And yet this Minister will not put funds in place so that they may be taken out of those communities, put in safe homes and return to the community as active citizens.

Mrs. Oleson: I am a little surprised by the Member's question. I announced in the House two weeks ago, or two-and-a-half weeks ago, quite an increase in funding to the wife abuse community. I am, as she is, very concerned about the statistics on wife abuse. We are doing all we can to remedy the situation.

Mrs. Charles: Again to the Minister of Community Services; and again, she does not understand her department. Funds have been taken in the past from the Manitoba Committee on Wife Abuse, directed through that committee to be used for these outreach situations. The money is gone; the services are not

there. Can the Minister put forward a new umbrella group or some funds that these communities can be served once again?

Mrs. Oleson: One of the reasons that the Committee on Wife Abuse had their funding ceased was that they were not providing the services that they had once provided; so with that, the services were not there. We are looking at all the ramifications of the wife abuse situation. We have put a great deal of extra money into it this year, and we are hoping that in the future we can do even better.

In the meantime, the services that the Member, I think, is referring to, we are trying to accommodate the people that were receiving counselling by the Wife Abuse Committee. They are receiving counselling through other agencies. We have increased the funding to the Thompson centre so that some of the northern people will be accommodated in that way. We cannot address every single problem in this Budget.

Department Cuts Staff Effects

Mr. Harry Harapiak (The Pas): My question is to the Minister responsible for Environment and Workplace Safety and Health (Mr. Connery).

During the administration of the NDP Government, I was proud of the commitment that we made to prevent illness and accidents in the workplace. Safety and Health officers carried out a lot of the preventative education programs in workplaces. There were 20 Workplace Safety and Health officers at that time. We were told by some of the Workplace officers, that we know, that the workload was very heavy. Now we are advised that there are two Safety and Health officer positions that have been permanently eliminated, and two additional positions will be allowed to exist as an ongoing vacancy.

Can the Minister tell this House how big of a backlog there is in complaints in the workplace, and how long does it take to respond to a complaint; what workplaces will not be inspected because of this cutback in these positions; and when he will fill the position of chief occupational medical officer, which is required under Section 17(1) of The Workplace Safety and Health Act?

Hon. Edward Connery (Minister of Environment and Workplace Safety and Health): We are under active discussion as far as the occupational health officer, and we are concerned that this position is not filled. As far as the other detail, which is fine department detail, I will be glad to take that question as notice.

Mr. Harapiak: While he is taking that question as notice, there is an additional question I would like to ask.

The Minister eliminated the funding for the Labour Education Centre and he also eliminated an education officer for Workplace Safety and Health. Who will be doing the education for the 40,000 to 50,000 workplaces that will be coming under compliance under the recommendations of the Workplace Hazardous Material

Information System which comes into effect on November 1?

Mr. Connery: If the Honourable Member did his homework, he would know that there is a department that is putting on training programs currently.

Mr. Harapiak: Under our administration, there were Workplace Safety and Health regulations put into place which would complement WHMIS which is coming into effect on November 1.

Will these regulations be coming into effect on November 1 at the same time, and who will be enforcing them when they do come into place?

Mr. Connery: At this point, we have no decision to change that time of it coming into place. If there is any decision to change it, we will let the Honourable Member know.

Affirmative Action Board Nominations

Mr. Allan Patterson (Radisson): My question is to the Minister of Culture, Heritage and Recreation (Mrs. Mitchelson).

On August 11, the Minister of Culture, Heritage and Recreation promised to provide this House with a breakdown of patronage appointments to Government boards. We have not yet heard from the Minister. When will the Minister table this list, and can she tell us how many persons have received political appointments to boards from Affirmative Action groups?

Mrs. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation): I just want to inform the Member that there are no patronage appointments made by the Conservative Government. The people that are appointed to boards by this Government are people that are very qualified and competent to serve the people of Manitoba, generally speaking.

I want to indicate to the Member that when there is a complete update of that information, it will be provided.

Affirmative Action Appointment Numbers

Mr. Allan Patterson (Radisson): My question is for the First Minister (Mr. Filmon).

We already know what the Minister responsible for Manfor (Mr. Ernst) thinks of Natives on boards. The Minister responsible for Freedom of Information was not very free with information—has had plenty of time to find out the breakdown of their friends' appointments.

Will the First Minister (Mr. Filmon) tell the House how many women, how many Natives, how many visible minorities and disabled persons have been appointed as chairpersons out of a total of some 120-plus?

Hon. Gary Filmon (Premier): I would say to the Member for Radisson (Mr. Patterson) that we are very

sensitive to the fact that the membership on the boards and commissions should reflect the make-up of Manitoba. It should provide for representation in a whole cross-section of people so that, just as there are in our population, there will be women—capable women—capable men, there will be Native representation, there will be those who are handicapped, there will be those from our multicultural and from our visible minority community. All of those people will be represented and are represented in the boards and commissions that we have appointed right today.

There have been Native people appointed to our boards and commissions because we believe that they have a role to play and a responsibility to reflect the views of the Native community in the policy decisions and, indeed, in the public decisions made by our boards and commissions in Manitoba.

Every day, every week that we appoint a new board, those numbers change, but I can tell him that we have appointed a very significant percentage of women to boards. I would say that it is somewhere in the range of 35 percent, and I want to do better. We have appointed a significant number of visible minorities, of Indians and Metis. We believe we should do better and we are working to ensure that we are identifying people who are qualified, who have the background and the experience to lend to them in the boards and commissions to which they are appointed.

I just tell them, for example, when you are appointing boards, for instance, that have to do with agriculture, the reality is, unfortunately, that there are not many women who are actively involved as farm producers. Some of them are involved in—

Some Honourable Members: Oh, oh!

Mr. Filmon: I did not say, Mr. Speaker, that there were not wives of farm producers or partners in the operation, but as the principal producer, the representative, the person who is involved principally in these commodities on many of these farm groups. So when you take a look at our farm groups, you will find that maybe there are not as many women as there should be—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. The Honourable Member for Radisson.

Mr. Patterson: I would like to extend my congratulations to the First Minister (Mr. Filmon) on a nice lengthy speech, although he did not answer the question as to the number of chairpersons—

Stipends Allocations

Mr. Speaker: With a supplementary question.

Mr. Allan Patterson (Radisson): Will the First Minister (Mr. Filmon) tell the House how many Affirmative Action board appointments will receive stipends?

Hon. Gary Filmon (Premier): Wherever there are boards and commissions that pay stipends, per diems,

they will be received by whomever are appointed to those boards and commissions. It does not matter whether they are affirmative action or not affirmative action. They will receive the same stipends and will be treated equally. We will treat all of those appointments equally, and that is the reality of the situation.

Maybe the Liberal Party wants to have a discriminatory practice in which they will pay some board members but not other board members, and I reject that. I think that that is a wrong approach to take. We will treat all of our board members equally.

* (1410)

Day Care Centre Advertising

Ms. Judy Wasylcia-Leis (St. Johns): My question is to the Minister of Community Services (Mrs. Oleson).

Today, in the early morning edition of the Winnipeg Free Press, the Alabama-based Mini-Skool profit-making day care corporation inserted a very glossy, full colour brochure advertising the joys of Mini-Skool. I am sure everyone saw that brochure.

Mr. Speaker: May I remind all Honourable Members again that we do not produce exhibits in the Chamber. The Honourable Member for St. Johns.

Ms. Wasylcia-Leis: Considering that this corporation will be one of the principal beneficiaries of the Government's new day care policy, could the Minister please indicate to this House whether or not this U.S. corporation received some advance notice of the benefits for profit-oriented day care announced by the new Minister just two days ago?

Hon. Charlotte Oleson (Minister of Community Services): I find this question absolutely repulsive. We are subsidizing children, not companies in Alabama or anywhere else. We are subsidizing children of parents who are low income, and that is the bottom line. I find it absolutely regrettable that the Member would take that sort of tack with a question.

Mr. Speaker: The Honourable Member for St. Johns, with a supplementary question.

Ms. Wasylcia-Leis: Mr. Speaker, given that as usual the Minister has not answered the question, I think it really is a fact that they will be sitting back in Alabama clinking their glasses of beer, as our Leader had said yesterday.

Child Care Subsidies Consultations

Ms. Judy Wasylcia-Lies (St. Johns): My question to the Minister of Community Services (Mrs. Oleson) is—

Some Honourable Members: Oh, oh!

Mr. Speaker: The Honourable Member for St. Johns will kindly put her question.

Ms. Wasylcia-Leis: Mr. Speaker, I can assure you that this is not a laughing matter for Members of the NDP caucus. If we could have some order so that these serious questions could be posed, my question to the Minister of Community Services (Mrs. Oleson) is: Given that the Manitoba Child Care Association has said that they were not given any advance notice of the Government's new day care policy which encourages profit day care in this province, and considering that Manitoba's non-profit day cares, serving 92 percent of children—since the Minister is concerned about children in the Province of Manitoba—will receive no real increase in financial support through this policy, could the Minister indicate now whether or not Mini-Skool and its American parent firm, Kinder-Care, were in fact consulted on these changes?

Hon. Charlotte Oleson (Minister of Community Services): Mr. Speaker, no, they were not. In fact, I was not even aware that they were a firm that was owned in Alabama. It has nothing to do with the introduction of subsidies to low-income families.

Mr. Speaker: The Honourable Member for St. Johns, with a final supplementary question.

Ms. Wasylcia-Leis: Mr. Speaker, I still have not received an answer to that very serious question.

Mr. Speaker: The Honourable Member for St. Johns, kindly put the question.

Ms. Wasylcia-Leis: Mr. Speaker, my question was about any consultation that occurred between this American profit-making day care and her or her department. I believe I have not received an answer.

American Based Day Care Subsidy Allocations

Ms. Judy Wasylcia-Leis (St. Johns): My question to the Minister is: Given the lack of information to date about the program, could she indicate whether or not this American firm, any American chain, will be eligible for this new subsidy program of the subsidy going with the child or the parent as a result of her announcement two days ago?

Hon. Charlotte Oleson (Minister of Community Services): Mr. Speaker, I will repeat, for the Member's information, we are giving subsidies to children. It is children we are talking about here. We are talking about children whose parents qualify after a needs' test. They apply for a subsidy the same as the 200 spaces that have been funded in private centres when the Member was in Government.

Hazardous Waste Storage PCB Equipment Purchase

Mr. Harold Taylor (Wolseley): Mr. Speaker, my question is to the Minister of Labour and Environment (Mr. Connery)—surprise, surprise!

I am somewhat relieved to see that this Minister, at the CCREM Conference, stressed the need for all

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Environment Ministers to work together to rid Canada of PCBs. Unfortunately, the federal Government, for its part, is offering three-and-a-half year-old solutions. By that, I am referring to its offer in 1985 to purchase a mobile PCB destruction unit. It has not yet even acquired one of those units.

The question is: How can the Minister of the Environment (Mr. Connery) of Manitoba offer any near-term solutions for the destruction of PCBs in this province, given that situation and given the enormous stockpiles of PCBs also awaiting destruction in other provinces such as Quebec, Ontario, Alberta and B.C.? What is our answer in the near term?

Hon. Edward Connery (Minister of Environment and Workplace Safety and Health): Of course, as the Member knows, there is no short answer to that question. I am depending on the federal Minister; I am taking him at his word. He has said that he has the authorization from his Cabinet to investigate the bringing in of portable units. These are not units that ride on the back of a three-ton truck or a semitrailer truck. These are mammoth units that take a lot of time to set up. We are looking at this because we feel that this is very important.

I am surprised that the Member has not asked for the site of the PCBs because this was the big question. I have, for the Member—I have a copy for you. This is for you, if the Page would take these, please, for each of the Environment critics, to Mr. Taylor and to Mr. Harapiak.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please. We are into oral questions. We are not into tabling of reports. The Honourable Member for Wolseley.

Mr. Taylor: We should have this recorded, the tabling of this report. It will be interesting how many numbers there are in there—59, 60, 65.

Hazardous Waste Removal

Mr. Harold Taylor (Wolseley): But more importantly, this Minister has assured the House that the regulations in Manitoba's Environment Act are sufficient to deal with PCB storage now. He admits in an article in this morning's Free Press that he needs to toughen them up.

My question is to the Minister: How could he dare mislead the House, and what is he finally going to do about toughening up regs for the storage of PCBs? Let us have some answers.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please; order, please. Unparliamentary language—I would ask the Honourable Member to withdraw the word "misleading."

Mr. Taylor: Thank you. I accept that, and I will withdraw and rephrase that.

Mr. Speaker: I would like to thank the Honourable Member, and I would like to remind the Honourable Member that we do not demand answers. The Honourable Member for Wolseley will kindly place his question.

Mr. Taylor: We are always reminded on this side it is very difficult to get answers. Thank you.

The question is: In that the regulations do not answer the needs today, what is he doing to toughen up those regulations so that he can deal with the storage of PCBs now in Manitoba in an adequate fashion, and let us have some specifics?

Hon. Edward Connery (Minister of Environment and Workplace Safety and Health): We are seeing another "Taylor-made" story by the Member for Wolseley (Mr. Taylor). Our department is investigating all of the regulations pertaining to the PCBs and to hazardous waste control. The one area that we do not think we have is the ability to force people to tell us they have PCBs. We are in the process of drafting legislation, if it is required, to ensure that anybody who has PCBs will let us know. Otherwise, there will be some sort of penalty.

What is in place is the dangerous handling and storage, and that is what we are in the process of doing, is to ensure that every site is investigated. If there is a site that is not up to snuff, then we will make sure that they do in a very short period of time. We are concerned about PCBs as well as all other hazardous goods.

* (1420)

Mr. Speaker: The Honourable Member for Wolseley, with a final supplementary question.

Mr. Taylor: On a final supplemental on the same subject: At the conference in Ottawa of Environment Ministers, dealing with the PCB issue, did he request that the federal Government develop regulations under its inclusion in its new Act to deal with the storage and handling of PCBs to replace the guidelines which are not working?

Mr. Connery: Yes, Mr. Speaker. I have a communique that is also in that package, which will let the Member know what was discussed. The legalities are there, and the federal Government is very concerned about any shortfall in legislation. That will be corrected federally, and it will be corrected provincially if there is any shortfall.

There were seven Ministers from the provinces and the territories, plus the federal Ministers. All other provinces were represented by Deputy Ministers. There was total agreement that, if there was any shortfall, we will work cooperatively to ensure that PCBs, along with all other hazardous waste, are properly looked after.

There are something like 40,000 metric tonnes of PCBs that came into Manitoba. We only know where there are 24,000 left now. Only 6,500 are actually in

storage and the rest are in current use. As the Member should know, we are attempting and we have a goal set for 1993 to remove all in-use PCBs. We have to remove them. The intent is to make sure that we are able to destroy them once we have removed them.

Mr. Speaker: The time for oral questions has expired.

NON-POLITICAL STATEMENT

Hon. Gary Filmon (Premier): I wonder if I could have an opportunity for a non-political statement?

Mr. Speaker: Does the Honourable First Minister have leave? (Agreed)

Mr. Filmon: Today, Thursday, September 8, is World Literacy Day. This is a highly significant day for it focuses attention on the need to create a fully literate society. Over 4 million Canadians cannot read, and these 4 million people are isolated and barred from opportunities and freedoms. Many of them degenerate into lifestyles that are counterproductive not only for them as individuals but also for the wider society in which they live. It is increasingly important for individuals to be literate in order to function fully in our society, to be able to read directions, labels, recipes, so many of the things that we take for granted in society today; to be able to enjoy the pleasure of reading a good book, and to continue learning through the acquisition of knowledge that comes from reading.

That is why, today, the Minister of Education (Mr. Derkach) is in Toronto in his capacity as Chairman of the Council of Provincial Ministers of Education. He is in attendance at what is expected to be, I understand will be coming forth, an announcement by the federal Government on the fight to eradicate illiteracy. I wish to inform the Members of this House that I have proclaimed this day World Literacy Day in Manitoba. I hope that today all concerned citizens will become more fully aware of the very great and very real need to work together in society to alleviate the consequences of illiteracy.

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, can I have leave to make a non-political statement? (Agreed)

I welcome the Premier's announcement with regard to Literacy Day. There is no more frustrating experience for someone who has spent 21 years in a classroom than to deal with a young person who, because they have not learned to read in the early grades, find themselves increasingly frustrated in the more senior grades because of their inability to read the material that is provided to them.

I think that any encouragement at a broader knowledge of literacy so that we can make parents, as well as teachers and the workplace, aware of the disabilities of these individuals and the frustrations that occur to these individuals because of illiteracy, the better our world will be because we will have the political will to create programs which will address this very, very important need.

Ms. Maureen Hemphill (Logan): May I have leave to make a non-political statement?

Mr. Speaker: Does the Honourable Member for Logan have leave? (Agreed)

Ms. Hemphill: Mr. Speaker, I think we, on this side of the House, would like to join all Members in this Chamber in thanking the Government and the Members opposite for proclaiming this as Literacy Day. But I can tell you that I wish there had been a little more in this statement than a proclamation. I remember well when we brought the literacy program in -(Interjection)- Oh, it is non-political. So was that political? Was that political?

Mr. Speaker, in light of the fact that 10 percent of the Canadian population is illiterate and that is carried out—in Manitoba, we have about the same percentage. So this is something that interferes with their ability to have the opportunities that are made available for them in education and in jobs.

So I would just like to end in saying we are pleased with the proclamation and looking forward to an increase or later announcement about actual intentions for these programs.

ORDERS OF THE DAY

Hon. James McCrae (Government House Leader): Mr. Speaker, would you be so kind as to call the Order for Return, standing in the name of the Honourable Member for St. Johns (Ms. Wasylycia-Leis)?

ORDER FOR RETURN NO. 1

Ms. Judy Wasylycia-Leis (St. Johns): I move, seconded by the Member for Logan (Ms. Hemphill), that an Order of the House to issue for the return of the following information:

(a) a copy of all questions used by Western Opinion Research as part of the survey of foster parents which was conducted during the last week of August 1988;

(b) a copy of any contracts between Western Opinion Research and the Government related to the above referenced survey;

(c) a listing of all type of information which was provided to Western Opinion Research by the Government as part of this contract; and

(d) the identification of the source of all of the information which was provided to Western Opinion Research under this contract.

MOTION presented.

Mr. McCrae: Mr. Speaker, in view of the fact that the information requested has already been provided, the Government is happy to accept this Order for Return.

QUESTION put, MOTION carried.

Mr. McCrae: Mr. Speaker, I move, seconded by the Honourable Minister of Northern Affairs (Mr. Downey),

that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Minnedosa (Mr. Gilleshammer) in the Chair for the Department of Community Services; and the Honourable Member for Seven Oaks (Mr. Minenko) in the Chair for the Department of Industry, Trade and Tourism.

* (14:30)

CONCURRENT COMMITTEES OF SUPPLY SUPPLY—COMMUNITY SERVICES

Mr. Chairman, Harold Gilleshammer: The committee will come to order. The Department of Community Services, (c) Research and Planning: (1) Salaries, \$752,000. Shall the item pass? The Member for Ellice.

Ms. Avis Gray (Ellice): Just a quick clarification. In the discussions we had the other day regarding some of the reviews that had been conducted or were going to be conducted with regard to community residences, etc., I just would like to get some clarification from the Minister as to exactly how many reviews have been conducted. She talked of the one about the client file. How many reviews are in the planning stages to be conducted? I was not quite sure when we were talking about all these reviews, and I am just seeking some clarification on that.

Hon. Charlotte Oleson (Minister of Community Services): I will be announcing a major review sometime either later this week or early next week. As we talked about before, The Social Services Administration Act is under review.

Ms. Gray: Then I understand there was a third review, or sort of a client file survey or review that was also done by the director of Residential Care and Licensing.

Mrs. Oleson: As I indicated when we last met, there was an individual client review taken after the death of Russell Smith, I am not certain of the date.

Ms. Gray: Just one further question. The Minister had indicated to us last week that she would be prepared to table a list of the grants, etc., and the funding for '88-89 going to a number of agencies. Does she have that information with us that she could table today?

Mrs. Oleson: I could table them when we get to that grant line or perhaps sooner, but we have not got to that grant line yet.

Ms. Gray: If memory serves me correctly, the Minister had agreed that sometime this week she was prepared to table those grants. Is the Minister prepared to follow through with that and table these grants this week?

Mrs. Oleson: Mr. Chairman, I could give you the Child and Family Services Grant lines because we met with them this week. The others I could give you later.

Ms. Gray: Yes, we certainly would be willing to receive the Child and Family Services Grant lines since the agencies have been informed of that. So if she would table that we would appreciate it. I would also ask at this time, and I am quite prepared to receive the information when we get to regional operations, but to give some indications earlier on, I will be asking the Minister of Community Services (Mrs. Oleson) to provide this committee with a complete organizational chart of the three regions, particularly in Winnipeg when we do move on to that appropriation.

* (1440)

Mrs. Oleson: Yes, we have that available. When we get to that grant line that will be made available to the Member.

Ms. Gray: That is fine. Thank you.

Ms. Judy Wasylycia-Leis (St. Johns): To follow up yesterday's discussions, could the Minister indicate whether or not she is now prepared to table the legal opinion she said she would be getting, as to the legality of the principal secretary to the Premier providing a membership list of the Manitoba Foster Parents' Association to Western Opinion Research and whether or not there has been a contravention of Section 76, Part III of The Child and Family Services Act?

Mrs. Oleson: Mr. Chairman, I had told her that we had a verbal opinion that there was no contravention of the Act and I have undertaken to table a legal opinion which I will do at a later time. I have not got it with me today.

Ms. Wasylycia-Leis: The Minister did say she had a verbal opinion but when questioned further by the Member for Concordia (Mr. Doer) she said she would table a legal opinion. Could she indicate whether or not she is prepared to table that today?

Mrs. Oleson: I had told him I would undertake to table it and I will do that, but I have not got it with me today.

Ms. Wasylycia-Leis: Could the Minister indicate when she will table that legal opinion?

Mrs. Oleson: As soon as possible.

Ms. Wasylycia-Leis: Given the seriousness of this matter, could the Minister be a little more precise in terms of when that legal opinion might be available, given the fact that it is already based on a verbal opinion given to her?

Mrs. Oleson: When I get the opinion, I will table it.

Ms. Wasylycia-Leis: I hope we can get a little more precise information on some of these pressing matters. Let me move on to the more recent issue based on the Minister's announcement two days ago of the new child care policy. Could the Minister indicate what analysis, research, planning work has been done by

her department with respect to the impact of the trade deal on day care in this province?

Mrs. Oleson: As I indicated some days ago when we discussed this issue, I indicated very clearly to the Member that this department did not do any in-depth analysis of free trade in that aspect. The IT and T Branch is doing an analysis of free trade. They have not indicated to me any concerns about day care.

Ms. Wasylycia-Leis: Given that all analyses that are public knowledge indicate that child care and the provision of that service has not been exclusively or specifically exempted in terms of the Canada-U.S. trade deal, could the Minister indicate whether or not she is prepared to deal with that situation, whether she has been thinking about moving to bring into place a regulation that would make it impossible for American profit-making chains to come in and set up chain-profit day cares?

Mrs. Oleson: I have seen nothing to date that would indicate that it would be necessary to make regulations. I wonder if the Member really thinks that for \$12.80 a day there is going to be a flood of people coming over the border taking over day care? Does she really want the private centres in this province to close because of her ideology or just what is she getting at when she is getting into all this stuff on day care?

Ms. Wasylycia-Leis: Could the Minister then explain to us what is the difference between an American profit-making firm and a Canadian profit-making firm, and why it would be less enticing for an American firm to set up a profit centre and take advantage of this subsidy than it would be in the case of a Canadian profit firm.

Mrs. Oleson: Mr. Chairman, I think the Member has forgotten again—and I will remind her again—that what we are doing here is subsidizing children, children of low income families. We are not subsidizing centres. We are subsidizing children. It is the children who are receiving the care and if she is concerned that American children are going to come across the border and use the spaces, I do not think she needs to worry about that either.

Ms. Wasylycia-Leis: My question again is why the Minister would suggest that it would not be very interesting and attractive for an American firm to involve itself in this field when, in fact, all of her presentation to date has been based on the ability through this new approach to appeal to and address the concerns of the commercial independent operators?

Mrs. Oleson: Mr. Chairman, I remind the Member again that we are subsidizing families. We are subsidizing children and we are taking up spaces that are available. I would remind the Member also that in '77 their former Government authorized subsidies to Mini-Skool, for instance, under the 200 spaces of independent care that are subsidized today.

Ms. Wasylycia-Leis: Mr. Chairperson, I would like to remind the Minister that as she knows that was a

grandparenting arrangement back in 1977, and that all of my questions have been with respect to new plans in this respect, to new firms coming on the scene, to the open-door policy with respect to American chain profit-making day care corporations. Could I ask the Minister, since she continues to suggest today, which is contrary to what she has said in the past, about the whole concept being geared to the private profit providers, could she indicate if since she is saying today that it is a subsidy for the child or for the parent, if in fact this is a voucher system?

* (1450)

Mrs. Oleson: Mr. Chairman, the system for payment of subsidies will be exactly the same as it was under the former Government. The centres will apply in the same way for the subsidy for the child. If the Member is suggesting that we should do something otherwise, I would like to hear her suggestion.

Ms. Wasylycia-Leis: Could the Minister then clarify whether or not it is then a subsidy going to centres based on her statement in the House and based on her press conference that it is a subsidy geared particularly to the commercial operators, to profit centres in Manitoba?

Mrs. Oleson: Mr. Chairman, I am trying to be patient with the Member and my patience is getting a little strained. We are subsidizing children here. We are talking about children of low income families who need subsidy, who will be subsidized in exactly the same way that the public centres are subsidized. You have to have some mechanism for getting the money back and forth and the private centres, independent centres will put in their attendance records exactly the same way in which the public centres do. If the Member thinks that there is something wrong with that system, then perhaps she would suggest a better way to do it.

Ms. Wasylycia-Leis: Mr. Chairperson, if the Minister has been listening—and I am sure she has been—she will know that our position has been one of trying to begin to meet the minimum of 3,500 parents and children on waiting lists in the non-profit sector.

Could the Minister clarify for us the discrepancy between her statement in the House yesterday and her comments in the media with respect to who will make up the difference in the subsidy and the full rate now being charged by private profit centres?

Mrs. Oleson: I do not think there was any inconsistency in what I have said.

The parents will now have a choice where they take their child in order to receive a subsidy. The private centres will be under the same regulation as the public. With regard to the charges, they will be allowed to charge the same as the subsidy, plus the dollar a day. The Member was indicating, yesterday in the House that some figure of \$17, \$20—she was throwing numbers around. That is not the case. The private centres will be charging the same as the public centres with regard to subsidy.

Ms. Wasylycia-Leis: I was asking for the Minister to explain who will make up the difference between the subsidy of \$12 or \$13.80. What accounts for that extra dollar, which under regulation is the maximum that can be charged to a parent eligible for a subsidy, and the average full rate charged by the profit centres which is in the neighbourhood of, by my calculations, an average of at least \$17 a day. No doubt, that is not a very accurate estimation in terms of reflecting the full cost. I think some of the day care organizations, providers and parents in the province have indicated that it is more in line with \$20 a day. I would like to know how that difference will be made up, and what plans she has in place to ensure that the difference will not be found by way of lower staff salaries or poorer quality or higher rates for the full paying parents.

Mrs. Oleson: I will remind the Member that these are all licensed centres. The standards would have to be met in order for them to be licensed and in order for them to be subsidized. Let there be no mistake that these will be substandard places.

With regard to the fees, the parent would have a choice. If they wish to stay in a centre and pay extra, then that would be their choice. Then through the federal plan that has been announced with income tax adjustments, they could opt for that system. Or they could opt to go to another place where the fees were not as high and get the subsidy. This gives parents flexibility and choice.

With regard to the payment of the subsidy, the Member was trying to paint a picture that we were paying subsidies to profit organizations. It is being paid on behalf of the child, I will remind her, and that under the Canada Assistance Plan, it is required to be done that way. The centre sends the attendance records and then is paid on behalf of the child, but it is the child who is actually getting the subsidy.

Ms. Wasylycia-Leis: Could the Minister then definitively say that this is not a voucher system?

Mrs. Oleson: No, it is not a voucher system. It is the same system that has been used for some time.

Ms. Wasylycia-Leis: I think the record should be clear that this is not the same system. We are talking about a totally new direction, a fundamental change in our day care policy. We are talking about, based on the Minister's own description of her announcement of two days ago, that this is a provision that will take some of the direction of support and assistance for profit centres.

So let it be clear, let us not hide the fact that it is geared to assist independent operators, to assist profit centres, although the Minister herself will indicate that she wonders why a profit-making firm—although she has qualified that in terms of an American profit-making firm—would even find it feasible and profitable enough to take advantage of this program, which brings me full circle to the question I have tried to ask in the past and I am still looking for an answer on and that is:

How many parents, how many vacancies are there in the private profit system of day care in Manitoba?

How many vacancies of the current 1,159 spaces are there?

Mrs. Oleson: First I want to clarify for the Member's information—I said that it was the same program. I do realize there has been a change in policy, of course. What I was indicating to the member is, there is still the same method of payment, that the centre sends in attendance records and they are paid on behalf of the child in the same way as had been done. That was the similarity I was referring to.

I understand that there are, with reference to the vacancies, there are vacancies in 165 centres where there are, on the other hand, waiting lists. So in this way those 165 can now be taken up because they will be able to get a subsidy.

Ms. Wasylycia-Leis: Could the Minister then explain, there are 165 vacancies, what the other 335 spaces are needed for in terms of this system, and why the Minister did not decide to, instead, fund another 300 in addition, or 320 spaces in the non-profit sector; another 345 spaces in the non-profit sector, which would go some distance to reducing the approximate 3,500 on the waiting list?

Mrs. Oleson: The member does not seem to realize that many of these subsidies will go to children who are already in centres but not being subsidized. The parents will have to apply for the subsidy. So in that way we are giving a subsidy to—it would be approximately 500 children—who did not receive the subsidy before.

* (1500)

Ms. Wasylycia-Leis: Does this mean then that there are only 100, and is the Minister trying to suggest that there are only 165 new spaces being created in terms of her total announcement?

Mrs. Oleson: No. I indicated, as the member will recall in my announcement, that the 500 spaces we are talking about is subsidy, are apart from the 420 new spaces that would be created with these funds.

Ms. Wasylycia-Leis: Based on all these different figures that we have heard over the last couple of days about new spaces, could the Minister repeat again for us how many new spaces—brand new spaces—not subsidizing existing spaces, will be created as a result of her new policy?

Mrs. Oleson: The 500 I refer to, of subsidies, is a result of the new policy. As well, there are 420 new spaces being created with the funding that I announced the other day. The 500 is based on an estimate of 25 percent to 30 percent of all non-funded spaces existing and licensed as of September 1. So it was an estimate of 500 that there would be taken up, and that is a cap. There may be more applications than that, but that is how many we felt we would be able to fund in additional subsidies.

Ms. Wasylycia-Leis: If the same flexibility could have been given to the system by a decision to meet some

of the demand and fund some of the spaces of existing centres, why did the Minister choose to go the route of bringing into place a new policy that has no goal in mind, that has no particular certainty about number of spaces it will create, or need it will meet? Why she chose that route instead of a clear, definitive move to meet the need of parents who are now lined up on waiting lists, waiting to get into existing centres if only spaces were provided?

Mrs. Oleson: I remind the Member that 500 children will be getting subsidy where they did not get it before. If we had spent that amount of money on new spaces, we would not have created nearly as many spaces for children. That money, if you had taken that and done that we would have had to pay grants and, etc., etc., and we felt that we could better serve the children by doing it this route.

Ms. Wasylycia-Leis: Would the Minister be prepared to table fairly quickly a list of non-profit centres now in operation who have requested funding of additional spaces?

Mrs. Oleson: We could provide the Member probably with that information, but it would take some time because of the move back and forth. We concur with her that probably there are 3,500 people waiting for spaces, but at any given moment, and particularly this time of year when there is some take up in application, in fact the day care office is very busy right now with particularly this first of September because things change as you would know in the day care field at that time, but we would have to contact each centre and find out on a given day how many spaces they had, and how many are on their waiting lists. So it would take some time to compile that information.

Ms. Wasylycia-Leis: Let me simplify the request then, by asking if the Minister would table a list of existing operational non-profit centres that have the capacity for additional spaces, and have requested in fact funding from the province and are sitting there with long waiting lists. I think that is a fairly simple request, it should be, to respond to.

Mrs. Oleson: Some of the centres that the Member refers to will be receiving funding under the new announcement that I made, and some of those spaces will be funded, so it is in a state of flux right now, but I am sure that we can give that information for the Member but not today.

Mr. Chairman: Item (c)(1), Salaries, shall the item pass? The Honourable Member for St. Johns.

Ms. Wasylycia-Leis: I would like to ask a few more questions. I will try to be as brief as possible.

The Minister has referenced the fact that all centres eligible for subsidy would be licensed. I would like to know from the Minister, if it is the case, if there is any documentation to back up the case that often quality is of a lower standard, notwithstanding the question of strictly meeting licensed standards but are of a lower quality than that provided by non-profit services.

Mrs. Oleson: I will repeat that we are subsidizing 500 children that were not before subsidized. We are subsidizing them in licensed premises. They have to be a certain standard to get a licence and in some cases I am sure the standard may be higher. I am sure when we license them it is a minimum standard. Nobody says they can go above that. What we are doing here is giving a subsidy to 500 children of low income families who did not have that subsidy before.

Ms. Wasylycia-Leis: However, given the fundamental change in policy of this Government with respect to where those subsidies can go, could the Minister indicate whether or not she has put some measures in place that will ensure that quality in profit centres is—let me put it this way, that the statistics with respect to the quality in profit versus non-profit centres is dealt with?

Mrs. Oleson: The standard is applied equally to all centres. They have to comply with the standards or they would not be licensed.

Ms. Wasylycia-Leis: Is the Minister aware that notwithstanding the standards set by the letter of the law with respect to licensed standards that one must meet in order to be licensed, that there are differences in quality, and whether or not she has reviewed the literature to determine how quality differs between profit and non-profit centres?

Mrs. Oleson: All the centres are licensed under the same standards and they are monitored quarterly, whether they are private or public. If there are complaints about those centres, they are followed up immediately. I do not really know what the member is getting at. The licensing system and the regulations are exactly the same as they were when her Government was in power.

Ms. Wasylycia-Leis: If all centres, whether from the profit or non-profit sector were responding in a similar way to the standards that one must meet in order to be licensed, could the Minister explain why there is a much greater lineup of parents waiting to get into non-profit centres than into profit centres?

Mrs. Oleson: I think that should be quite obvious to the Member, that until we change the policy and it comes into effect on the 2nd of October, they could not get an subsidies in anything but public centres, so that is why they would be lined up for them.

Ms. Wasylycia-Leis: Could the Minister explain why there is a much longer lineup of parents waiting to get into non-profit, unfunded day care centres than for profit, which were obviously non-funded up until this point, day care centres?

* (1510)

Ms. Wasylycia-Leis: I do not think we really want to get into why people do things. I do not know where the Member is coming from or where she gets her information. People have a choice and they do what

they want to in regard to child care. I am not sure that the Member is accurate in her statement.

Would the Minister indicate if she could get the information, get the research done, to document the number of parents waiting to get into non-profit, unfunded centres as compared to profit, obviously non-funded, day care centres?

Mrs. Oleson: The parents were obviously waiting to get into a centre where they knew they could get a subsidy. I think it would be irrelevant to start doing studies on that at this time. They, naturally, were on a waiting list at a place they knew they could get a subsidy. That whole picture may change after the announcement this week.

Ms. Wasylycia-Leis: Could the Minister commit herself to determine the length of the waiting list for non-profit, unfunded centres among parents who are not eligible for subsidy but prepared to pay full rate as compared to profit, obviously unfunded, day care centres?

Mrs. Oleson: There was no possibility of subsidies before this change in policy this week. So there are vacancies in various centres throughout the province, because people would be waiting where they thought they could get a space and the public ones would be at that time more popular because there was a chance of getting subsidy, if they put their names on it.

We know that there are not enough day care spaces. I would love to be announcing more, but we have to weigh what we can here year by year. I do not think the Member should be terribly exercised in talking about 3,500 spaces; if it was 3,500 spaces, why did her Government not put that in the last couple of years? If that was her main priority, why did she not fill all those spaces?

Ms. Wasylycia-Leis: I was not asking any questions about—that question was not about the subsidy or about the waiting list. My question had to do with the Minister's awareness of the fact that parents are much more anxious to get into non-profit centres even if it means paying a higher rate because they are unfunded than they are trying to get into profit centres.

So my question to the Minister is this: Is she aware of the fact, is she aware of the crying need by Manitoban families to get into non-profit centres, and could she, on the basis of that, explain why she would redirect public funds, taxpayers' money into centres that while no one is necessarily questioning on an individual basis their quality, we are questioning on a general basis their ability to respond to the needs and desires and wishes of Manitoba families? Could she indicate whether or not she is aware of any of those statistics and is prepared to comment that very major issue?

Mrs. Oleson: People are waiting with their children to get into child care. I do not think the ideology of it really is of great concern to them. They want quality child care. This is what we are attempting to provide, and as I repeat for the Member, we are providing 500 subsidies for children that were not available before this policy was changed, and this is a major step.

To decide why one person goes and puts their name on one waiting list and why not on another, there are all sorts of things and it would be absolutely irrelevant to do a study on. It would have to be what they were thinking at the time, how close they lived to the centre and a whole bunch of variables, which will now have changed because they will be able to get a subsidy in the independent centre. To do a study on it now would be completely irrelevant.

Ms. Wasylycia-Leis: Mr. Chairperson, I remind the Minister that in all of her responses at the press conference and in subsequent discussions, both in Estimates and in the House, when asked why she has chosen to move in this direction, why she has introduced a major new shift in this province's approach to child care, why she has undertaken to go this route without consultation, without reference to the task force, she has indicated it is because that has been what Manitoba families are saying to her and that is what independent commercial operators want, that is what the people want.

Is the Minister prepared to listen to the majority of Manitoba families who have demonstrated their need, their concerns, and their wishes by lining up and putting their names on the waiting lists of non-profit centres, even if it means paying rates that are much greater than they can afford to pay?

Mrs. Oleson: Mr. Chairman, parents tend to apply to a centre that is convenient to them, that they know is in their neighbourhood. There are all kinds of variables why people choose centres. People would choose a non-profit centre, public centre in the past, because they would know there might be some chance of getting a subsidy at some point, even if they could not get it at that time. That might very well be one reason why they would. I do not think it is productive to indicate that families are stuck on ideology when they go to choose a child care centre. What they want is quality, convenient child care with some flexibility and some choice and that is what we are attempting to provide the parents of Manitoba.

Ms. Wasylycia-Leis: Mr. Chairperson, given that the Minister does not appear to want to hear from Manitobans about their preference before they make such a major shift in policy and direction, given the fact that she is not prepared to undertake a single study to do any research to back up the shift in policy, could the Minister then indicate whether she is aware of any of the current studies done in other jurisdictions and for the federal parliamentary task force designed to study these very issues, the issues of quality in non-profit versus profit centres, the issues of training, of trained professional staff, of the whole range of questions pertaining to child care? Could she indicate whether she has been provided with any of those studies, if she has read any of those studies, if she could comment on any of those studies and their findings?

* (1520)

Mrs. Oleson: Mr. Chairman, the Member indicated in the first part of her remarks that I was not prepared

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to listen to parents. I have been listening to parents and talking to parents. I have been talking to my colleagues who have been talking to parents.

An Honourable Member: In fact, you are a parent.

Mrs. Oleson: Right, actually a grandmother.

I would indicate also that if I was not interested in hearing what people wanted to say on child care, I would not have instituted a task force to go out and listen to what they want to say on child care. It should be quite evident to anyone that we are interested and concerned and want to hear what the parents of Manitoba and the providers of care, what they want to say to us on the subject of child care. So that should put that to rest—that I do not want to hear from them. I do want to hear from them, and I hear from them quite often. I talk to people every day, not specifically on child care but many of the calls I get are on that. So that should clarify the point whether or not we want to hear from people.

I have indicated to different organizations that have met with me in my office that if they are interested in child care as part of the service they provide—I met with a group this morning from the women's centres—that perhaps in their daily work that they might meet some people who were concerned over child care. Perhaps when the task force was struck, perhaps they might want to have some input into that. So we are asking for all kinds of information on child care. For the Member to say that we have no interest in hearing from people is totally ridiculous.

Mr. Chairman: On item (c)(1), Salaries, shall the item pass?

Ms. Wasylycia-Leis: No, I still have a few questions. I will try to be brief and wrap it up.

The Minister has ignored the fact that has been noted by not only Members of the NDP caucus but Members of the day care community generally that she has introduced a major shift in policy. She is taking this province in a direction that is totally opposite to the direction that most other provinces are going in. She is moving to put public funds, taxpayers' money in the direction of—

Mrs. Oleson: Looking after children.

Ms. Wasylycia-Leis: —profit centres and commercial operators. She has done that without consultation and without reference to the task force. The most major issue she has not included in the task force. I think that is clear to everyone.

Could the Minister indicate what—if she has no concerns about differences in quality between non-profit and profit centres, and if she is not prepared, therefore, to at least agree to study the literature in the field and to consider putting in place some mechanisms to ensure quality in any centre receiving Government funds?

Mrs. Oleson: I have indicated before several times that these centres are all licensed and regulated under

the same system that was in place when her Party was in Government. If she is suggesting that we change that, maybe I would like to hear what sort of changes she would make to that. They will be monitored, the independent centres will be monitored the same way as the public, to make sure that there is quality and that the regulations are being adhered to. To say that there would be some lack of quality I think is ridiculous.

With reference to the change of policy and its impact, I understand that some independent centres are indicating that they may very well increase spaces because of this policy. Now that is what the Member is wanting here. That is what she is talking about, part of the time, is increasing spaces. If the end result of that increases spaces, I think the Member should be very happy with that. I should also remind her that these subsidies count for a small portion really of the overall funding to day care. The remainder of the \$7 million is going to the public system. Is she saying that is wrong?

Also, is she saying that nine out of ten provinces in Canada are wrong in that they subsidize children in independent centres? Is she saying that nine out of ten provinces are completely devoid of any knowledge of what is going on in the child care system? I understand that the new initiatives by the federal Government will also have some support for independents.

What we want in this province and, I am sure, all across Canada is quality child care, flexible child care, that meets the needs of parents. We want it to be accessible. I will remind the Member once again that in order to operate a centre in this province, you have to be licensed. In order to be licensed, you have to meet regulations and qualifications and those are monitored carefully.

Ms. Wasylycia-Leis: I think the Minister's last comments say it all when she says, in particular, that these independent operators, they might even add to their spaces, they might even put in place new spaces.

Mrs. Oleson: Is she against that?

Ms. Wasylycia-Leis: I think the obvious difference in terms of our approaches has to do with making a decision on the basis of what is definite versus something that is totally uncertain and tentative for dubious reasons and for questionable assurances of quality.

I would like the Minister to indicate, since she is not prepared to address the matter of quality and matters of putting in place mechanisms to ensure quality, regardless of whether the centre is non-profit or profit, would she address instead the whole question of discrepancies in terms of trained staff, in terms of the profit and non-profit centres; why there is such a discrepancy in terms of staff salaries between profit and non-profit centres? Why is it the case that in other jurisdictions, when Salary Enhancement Grants are provided or grants are provided to profit centres, none of that money translates into better salaries for the day care workers but in fact translates into better profit margins and only better profit margins?

Mrs. Oleson: I am wondering where the Member got that information, that Salary Enhancement Grants—in other provinces, did she indicate?—go to enhance the profits of the agency? I wonder where she got that information?

Ms. Wasylycia-Leis: There were two parts to my question. One was if she could account for the discrepancies in staff salaries currently prevalent in terms of Manitoba; and secondly, if she could account for the fact that in other jurisdictions, when grants have gone directly from Government to profit day cares, that has not resulted in necessarily improved quality and certainly not improved salaries for the staff but only to improve profit margins.

Mrs. Oleson: I am having a little difficulty understanding what the Member is getting at, because Manitoba is the only province that gives Salary Enhancement Grants. I do not know what premise she is working on with other jurisdictions in other provinces.

I would like to indicate to her that one of the things that will be addressed by the task force is Salary Enhancement Grants in Manitoba. It has come to my attention that sometimes those Salary Enhancement Grants in the public centres in Manitoba do not go directly to enhance the salary. They go to the centre as part of their operating. That is one complaint that I have had, and that is one thing that is going to be addressed by the task force.

* (1530)

Ms. Wasylycia-Leis: Could the Minister explain why she is prepared to direct public funds into achieving a fuzzy, dubious, tentative goal with respect to new spaces or funded subsidized spaces in the profit sector when she is not prepared to put money into the direction of improving the salaries of day care professionals, professionals hired to do very important work in our society and who are, by every other organization and jurisdiction probably right around this world, underpaid and undervalued? Could she explain how she could be so definitive, on the one hand, to achieve a dubious, tentative, fuzzy goal and, on the other hand, refer to the task force as something that obviously has been identified as a pressing need and would go some distance to improving quality and care of children?

Mrs. Oleson: I might remind the member that we are still giving Salary Enhancement Grants, if that was her concern. I have mentioned that to her before, but she has no doubt forgotten that part of the whole thing.

And I would remind you once again that this is not a fuzzy, ill-conceived plan. This is a plan to subsidize 500 children of low income families who did not before receive a subsidy, and I think that is a major achievement. If you go and talk to the parents of those children, I think that you would be very interested in what you would learn. You would learn that they are very happy to get that subsidy. They were not getting it before.

As the Member has often said, there are many people who have a difficulty in paying for their child care. There

are single parent families and low income families who are now able to put their children in care centres and get a subsidy, or who already have their children in centres and are now able to get a subsidy.

For an ideological block that the Member has that she cannot understand this, she and I could probably sit here and argue for days and days and, if she wants to, we will. But it is strictly ideology that prevents her from seeing that this is a step in the right direction for families who need child care in this province.

Ms. Wasylycia-Leis: I will try to wrap up quickly since we are obviously getting nowhere. The Minister has to date refused to give a single statistic, a single estimate, a single analysis that would demonstrate that a need was being met by this major shift in policy and in day care funding. If we had some answers to some of the questions, we could have a genuine debate on both philosophical and pragmatic grounds. However, in every instance, on every occasion, the Minister has refused to give an answer, has refused to point to any documentation that would demonstrate a true basis for this new policy shift, for this new policy direction. I think the people of Manitoba will be the ones to judge that kind of response.

I think that the Minister knows the concern is certainly mounting in Manitoba about questionable decision making on her part or her Government's part, since we are obviously not sure, based on both her responses on this issue and the developments around the foster care issue and then, most recently, the brewing, the growing controversy with respect to Child and Family Services agencies, that this Minister is not on top of the issues and not making the decisions, and that in fact decisions are being made elsewhere.

Let me conclude my remarks, my questioning. Thank you to the Member for Arthur (Mr. Downey). I will conclude because this is a waste of all of our time, and it is a violation of the Estimates process, I am sure.

On a somewhat different issue, I will very quickly ask the Minister, although she has not been able to do this with respect to the federal day care plan and federal-provincial dealings with respect to day care, if she could indicate on the issue of battered women and spousal abuse whether or not she has made any representations to Ottawa with respect to the \$40 million program, whether or not she has indicated Manitoba's priorities, whether she has requested an adequate share of resources available through that so-called new initiative.

Mrs. Oleson: I should indicate to the Member that with regard to questions and statistics and information, if she will review Hansard, I think she will find that there have been answers given, statistics given. They may not be the answers she wants, but that is the fact.

Ms. Wasylycia-Leis: No statistics, no numbers, sorry.

Mrs. Oleson: I have supplied her with information not in the line of the Estimates that it is appropriate to put them. We are still on Research and Planning, and I have indicated several times that the child care issue is not under that line.

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With regard to the spousal abuse, which, of course, is also not on this line in the Research and Planning, I should indicate that applications were made to the federal plan by communities expressing their needs, and the federal people will deal with those. I will indicate, though, that the staff of the department are pursuing different avenues of how we can use that funding, and I will be hearing back from them the progress of their endeavours. But in this Research and Planning section of the Estimates, we have strayed quite considerably from Research and Planning, and I would hope that the Member will allow this to pass and get on with other things.

Ms. Wasylycia-Leis: Her own Supplementary Estimates description suggests that this branch is responsible for federal-provincial matters and certainly policy advice on any aspect of her department. I would expect some evidence of activity on the part of her and her department under this line with respect to the federal-provincial discussions and deliberations around support for battered women and for initiatives dealing with abuse.

Finally, I will ask the Minister if she has made any representations to Ottawa, to either the Ministers responsible for Status of Women or to federal-provincial Ministers responsible for social services, community services, with respect to Manitoba's views, beliefs, needs, requirements in this area, and if she could table any such briefs or presentations.

Mrs. Oleson: To which area does the Member refer? We have been wandering from day care to free trade and everything. I would just like to know exactly what she is referring to, what representation we have made to Ottawa. On what particular subject?

Ms. Wasylycia-Leis: If the Minister had been listening, I had prefaced my remarks with respect to the issues pertaining to battered women and spousal assault and to spousal abuse.

Mrs. Oleson: As I indicated in my previous answer on that subject, I indicated that staff have been actively pursuing this. The staff have met with federal officials and there are further meetings in the fall and winter. I indicated to her that applications go from communities also to express their needs and then we will see those applications, but I have nothing to table at this time with reference to spousal abuse and our negotiations with Ottawa.

Ms. Wasylycia-Leis: Sorry, that begs another final question, I hope, and that is, is the Minister saying that even though it has been since the election of this Government and her term as Minister of Community Services that the federal Government has introduced this new initiative, \$40 million dollar initiative, which we have yet to know how it translates in terms of Manitoba's needs, is she saying she has made no representations to Ottawa, has made no contact with the federal Minister, has made no presentations to a federal-provincial Ministers' meeting on this issue? It has been the tradition of the Manitoba Government to make formal briefs, to be actively presenting views and

trying to offer direction on major issues like battered women, like child care, and the list goes on.

Could she confirm that she has not made any such representation and cannot table anything here today on this very important matter?

* (1540)

Mrs. Oleson: Mr. Chairman, I did not indicate that we had done nothing on this. There have been no federal-provincial meetings since this was announced that I have attended. I think it is ridiculous for the Member that every time she raises this subject she wants me to table a report. Does she want me to move my office and all its paper down into this committee room or what the blazes is she talking about?

I am informed, through this federal initiative on spousal abuse, we have been allocated 22 beds for shelters under the federal initiative, and that is over four years. As I indicated before, when we get to the line on spousal abuse we could perhaps have a fuller discussion on that matter. If the Members want to discuss everything under the line of Research and Planning, I guess that is their prerogative, but I think they would be better served by discussing things on the line allocated.

Mr. Chairman: Item 1.(c)(1), Salaries—pass; 1.(c)(2), Other Expenditures, \$212,100—shall the item pass? The Honourable Member for Ellice.

Ms. Gray: Mr. Chairperson, the reference number in regard to Communications indicates a manager—

Mrs. Oleson: We are not in Communications yet.

Ms. Gray: Am I one ahead?

Mrs. Oleson: No, we are still under Research and Planning, because you did not let it pass.

Mr. Chairman: Excuse me, the Member for Ellice.

Ms. Gray: I am sorry, Mr. Chairperson, are we under Operating Expenditures?

Mr. Chairman: Research and Planning: 1.(c)(2) Other Expenditures, \$212,100—pass.

Under Administration and Finance, (d) Communications: Provides public program information and educational materials; No. (1) Salaries, \$181,700—pass.

Under Communications, item (2) Other Expenditures, \$54,500—shall the item pass?

Ms. Gray: Mr. Chairperson, in reference No. 4, the Communications line, there is an indication of manager, two professional/technical support and administrative support. It indicates that there has been a reduction of staff years due to a downsizing in the Communications Department.

Would the Minister tell us who the manager is of the Communications, what kind of professional/technical

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support is there with these two SYs, and with the third SY where there was a downsizing, was that SY abolished? Was there an individual in that position and, if so, have they been moved to another department or have they left the employ of the Government?

Mr. Chairman: Just for clarification, we are on section 1.(d)(1), Salaries.

Mrs. Oleson: The manager of the Communications is a person by the name of Dave Robertson and there are other staff, of course, there as well. One staff position was vacant and abolished.

Ms. Gray: The Administrative Support line indicates two SYs. Could the Minister tell us what the classification is of these Administrative Supports? Are they AY3s or clerks or what is the nature of that Administrative Support?

Mrs. Oleson: One is a secretary and the other person is a writer.

Ms. Gray: There seems to be Communications Branches within each department of the Government. Could the Minister tell us if there has been any move by this Government or any discussions with her colleagues, with her other Ministers in regard to centralizing Communications or is it the plan of this Government to leave the Communications Branch within each department—such as within Community Services?

Mrs. Oleson: There has been no change to date. The Communications Branch in this department and in my other department—and in my other department, the Status of Women—the Communications Branches remain in those departments as they were before.

Ms. Gray: Does the Minister feel that with the Communications Branches, as she mentioned within the three departments under her purview, is there any thought on her part that there could be some amalgamation of those Communications areas for perhaps increased efficiency?

Mrs. Oleson: When a new Government takes office, different thoughts take place, many thoughts—and there are reviews, but at present the Communications Branches are within the individual departments and that is the way it will remain for the present. Perhaps, after the Estimates process, I will have time to sit down and think about a few more of these things.

Ms. Gray: As indicated by the activity identification, the Communications Branch publishes or produces resources brochures, etc. Could the Minister tell us what specific Communications brochures or newsletters are produced by this particular branch—the names of them?

Mrs. Oleson: There is a newsletter and there are many pamphlets. There are pamphlets on foster care, pamphlets on various aspects of the department. If the Member is interested, we could supply her with copies of each of those if she does not have them.

Ms. Gray: Could the Minister tell us specifically what newsletters are produced by the Communications Branch?

Mrs. Oleson: There is a departmental newspaper that informs employees of what is going on within the department in the various branches.

Ms. Gray: For clarification, is that particular newsletter called Newslite?

Mrs. Oleson: Yes. I had my picture on it, is that the one?

Ms. Gray: Could the Minister tell us, this Newslite, how often is it produced? I understand it goes out to staff within the department. What specifically is the cost of the production of that newsletter?

Mrs. Oleson: We could get the cost of that production for her. We do not have the information right here, and it goes out quarterly.

Ms. Gray: I would appreciate that information. Mr. Chairperson, could the Minister tell us is there still in production another newsletter called Community Options?

Mrs. Oleson: No, that has not been done for sometime.

Ms. Gray: Could the Minister tell us exactly what kind of information goes into this Newslite that goes out to staff and what really is the purpose of it?

* (1550)

Mrs. Oleson: The newsletter would include such information as appointments in the department and staff changes. It would indicate policy changes and different projects that were under way in the department. Sometimes our staff will submit articles to it and also when there is a new Minister her picture gets put on the front of it.

Ms. Gray: Could the Minister indicate if an evaluation has been done in this particular newsletter in terms of staff comments about its value?

Mrs. Oleson: Yes, there was an evaluation and as a result of that there have been some changes, but mostly it was a positive evaluation.

Ms. Gray: Once we get the information as to exactly what the cost is that will be useful to us, I am wondering does the Minister and the Communications Branch feel that this particular newsletter to staff is in fact crucial and is there a plan to continue on with Newslite?

Mrs. Oleson: I have no plans or the department has no plans at this time to discontinue the newsletter, although I certainly will want to see that evaluation when it is completed.

Ms. Gray: The Minister mentioned brochures such as on foster cares, etc., etc. Because Child and Family

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Services agencies deliver a number of the services, is there a process, or, for my information, what is the process if Child and Family Services agencies are interested in having brochures produced or information produced in any particular topic, how do they go about that through the Communications Branch?

Mrs. Oleson: We provide the brochures. We produce the brochures and supply them to the agencies and they distribute them.

Ms. Gray: If a particular agency had a particular topic area that they felt was worthy of having a brochure printed, do they then request, or how is that vetted, and how is the decision made whether or not a brochure will be produced?

Mrs. Oleson: The agencies have some money in their budget to produce their own and they would produce their own if it was peculiar, particularly to their area. If these are done cooperatively and if they wanted something produced that would have wider appeal, then that could be worked out with the Communications Branch and it would be done there. But as I say, the individual agencies do produce their own brochures. They would be brochures that would be specific to their own area.

Ms. Gray: Under Activity Identification, it refers to staff in this branch that provides Communications assistance to divisions and branches to support staff training needs. Would the Minister elaborate on what this activity is?

Mrs. Oleson: On some specific topics, this branch would do the information for a particular project, like one that has been done on child sexual abuse. For instance, the Communications Department of this department would do any brochures or materials that they would need in order to do that course.

Ms. Gray: If this branch provides support to staff in various areas on training needs, how many requests would come into the Communications Branch from regions or Child and Family Services agencies or other components of the Community Services requesting assistance in the Communications area regarding specifically staff training needs?

Mrs. Oleson: The Communications is the technical support for this. The Programs Branch would do any specific programs. This branch just supplies needed brochures and information of material that would be required, but the Programs Branch would do the actual programs.

Ms. Gray: Another Activity Identification which is referred to in this line develops resources to support volunteer services of the department. What particular volunteer services are we referring to here?

Mrs. Oleson: This branch would do informational material, for instance, for the recruitment of volunteers. They do not actually work with volunteers or are involved in the programs, but they would supply information,

for instance, in advertising and recruitment to recruit volunteers.

Ms. Gray: A question to the Minister. Which parts or branches of her Government have volunteers? I am wondering how this providing resources to volunteer services—I am wondering how that gets coordinated and where within her department do we find volunteers that might utilize these resources?

Mrs. Oleson: The volunteers, as I pointed out, are not working in this particular—but they are in the various program areas and various branches of the department. Also, the agencies, for instance, might want to recruit volunteers. This branch would aid them in the ways that I indicated in my last answer about advertising and recruitment aids.

Ms. Gray: Could the Minister indicate to us how many volunteer coordinators there might be that would utilize the resources through the Communications Branch?

Mrs. Oleson: We could get that information for the Member, but these volunteers would be, or coordinators, would be in various branches of the department. They would be in agencies, for instance, in the rural areas in the agencies there, in northern agencies. We could get that information for the Member if she wishes it, but I have not got it right now.

Ms. Gray: Yes, I would appreciate that information.

In line with that, a further question. I guess what I am wondering is in relation to volunteers in the Communications Branch. If the Communications Branch is there to assist the support of the volunteer services, where does the coordination come from to ensure that, in fact, any volunteer coordinator does not submit whatever they wish in terms of recruiting volunteers? Where does that coordination or those assurances come from to ensure that the kinds of supports that the Communications Branch is developing is in line with the Community Services priorities in relation to the whole area of volunteers and volunteer services?

Mrs. Oleson: In this branch it is strictly Communications support. It is not the actual program. The volunteer programs within the various branches and the head of that branch would be in authority to look at volunteer programs or be organizing the volunteer programs in conjunction with coordinators. So this branch really has nothing to do with the actual function and performance and programming of volunteers. It is all done within the various branches of the department.

* (1600)

Ms. Gray: If a volunteer coordinator was interested in doing a recruitment program, let us say, in rural Manitoba and there were a volunteer coordinator with the Department of Community Services Regional operations, do they directly send in a request to Communications Branch, or is there sort of a process and signing off by various people as to what gets sent

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on and what gets acted on by the Communications Branch?

Mrs. Oleson: They would work with the regional director in their particular region to identify the need for a program or for information or help from this department. They would work with their particular agency director to do that.

Ms. Gray: Within this activity identification, there is mention of developing communication strategies for policy and program announcements. Would the Minister of Community Services tell what the Communications Branch has identified as their major communication strategies, in terms of announcements?

Mrs. Oleson: Any policy changes or announcements in the department are done through this Communications Branch. They develop communications. For instance, on the one on wife abuse, they developed the communications for that, and other announcements that I, as Minister, make. The day care one was one that was done through that branch. They prepare the necessary news releases and that sort of thing to communicate to the public policy changes of this particular department.

Ms. Gray: Could the Minister of Community Services (Mrs. Oleson) tell us if there has been any recent changes in modifications in the communication strategies, given some of the possible negative attention in the community regarding some of the announcements, such as in relation to foster care and surveys, the Manitoba Committee on Wife Abuse, and how they found out about their funding not being there, and in regard to the Manitoba Child Care Association? It would appear from comments that we have received that sometimes some of this communication that people have heard about it after the fact and have reacted.

This is not just an isolated instance but has been in a number of areas, and I am wondering if the Communications Branch has looked at what strategies they are employing and have made any decisions that in fact some of these strategies should be modified at all.

Mrs. Oleson: There has been no particular change in communication strategy in the Communications Department. I do not know what the Member is referring to.

Ms. Gray: Is the Minister of Community Services at all concerned about the concerns expressed by the Manitoba Child Care Association, as an example, about they are not being consulted on any announcements or forthcoming announcements in regard to funding and what the day care thrusts are going to be? Is the Minister at all concerned with these major concerns expressed by the Manitoba Child Care Association?

Mrs. Oleson: That communication went out to everyone at the same time. There was no change in strategy. I do not know what the Member is referring to. The Child Care Association surely would not expect me to be

sending them the news release before I put it out. That is the purpose of having news releases, to tell everybody at the same time. I have met with the Child Care Association in July and discussed various aspects of child care with them. They received the information at the same time as everyone else did, about changes in the child care policy, and did not express to me any concern about it.

Ms. Gray: Could the Minister tell me if it was coincidence that a number of private day care operators happened to be in the Legislative Building the day that the Minister's news release was held regarding the major thrusts in day care policy?

Mrs. Oleson: I did not realize they were there. I did not know they were coming. I did not invite them, and so I really have no particular answer for the Member. I do not know what brought them here at that time. Everyone was receiving the news at the same time, as far as I am aware.

Ms. Gray: The Minister has indicated that she met with the Manitoba Child Care Association in July and discussed a number of aspects that were of concern to the Manitoba Child Care Association.

Could the Minister indicate, or confirm—she has indicated they did not have concerns about not being consulted. Is she saying that she has had no indication at all from the Manitoba Child Care Association about their concerns regarding ongoing meetings and consultation with the Minister or her day care staff?

Mrs. Oleson: As far as I know, meetings that were previously held with the Child Care Association and staff, there has been no change in that regard. I have indicated to them that I would be happy to meet with them. I think the Member should be aware that I meet with a great many people, and I still have a waiting list of organizations that have not met with me in my office for the first time and would really like to do so. I cannot be rescheduling other organizations at this time. I would be happy to meet with them at a later time, but I guess the Member would not be aware, when I think of it, how many organizations have indicated to me that they would like to meet with me, and how many would like to meet with me on a regular basis.—(Interjection)— Yes, I am a very popular Minister.

There just are not enough days in the week, particularly when we are in Session and, as I have often said over the years, I hope nobody does create another day of the week, because somebody would be sure to call a meeting.

Ms. Gray: The Minister has indicated that these regular meetings, as far as she knows, are continuing. I understand there were quarterly meetings with the day care office and the Manitoba Child Care Association and the one quarter coming up in September. Is there then a regular meeting scheduled for September?

Mrs. Oleson: The Day Care Branch and the association meet whenever required. I have not given any directive of when they are or not supposed to meet. They meet

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whenever they have a need to do so, and there are other associations that are involved in child care as well and I have met with them.

So I do not think that I have left anyone out in this whole mix. I have met with many many groups. My door is always open to meeting with people and I am always happy to meet with them because I find that I can sit and read briefing books and briefing notes on into the night; but when I actually sit down with people and hear their concerns first hand and talk to them about what is of particular interest to them, I find it is much more productive and really the best way to go. But with a time schedule, particularly when we are in Session, I do not have time to meet with as many people as I really would like to.

Ms. Gray: My question is not directed to whether in fact the Minister—how regularly she is meeting with particular groups. What my question was could she tell us or reassure us that in fact the regular quarterly meetings that had been established with the Manitoba Child Care Association and the staff from the day care office, if in fact they are continuing and is the one that was planned for September going to be held?

Mrs. Oleson: I have not directed any change in the meeting arrangements of the Child Care Branch and the association. I would have to confirm that later. But I would think that they will be meeting in their usual—if they meet usually in September, that they will be meeting. But if there is a change in that, I could indicate it at another time.

* (1610)

Ms. Gray: Would there be a reason why the day care office would make a change in these regular meetings? The reason I am asking the question, Mr. Chairperson, is that—what I am trying to clarify here that the concerns in Communications, and in particular we are speaking about the Manitoba Child Care Association who very clearly indicated to myself a few days ago that, in fact, they felt that there was not an open-door policy, there were not clear communication lines with the Minister or the Minister's staff and, in fact, that these regular ongoing meetings had been suspended and this has caused the Child Care Association to be very concerned.

I have received over 25 phone calls yesterday about a number of issues from day cares specifically, and one of their concerns was what kind of communication do we have with the Department of Community Services in regard to day care issues?

Mrs. Oleson: Well, if there is a concern, it has not been brought to my attention, and I am glad that at this time the member is bringing it to my attention. I would direct her if she is in conversation with the Manitoba Child Care Association that if they have major concerns about how the Day Care Branch is operating, how my office is operating, how the child care in the province is operating, the whole gammit of the issue, that they perhaps would call me and express those concerns to me directly and then I would be able to deal with them. It is very difficult to deal with an issue if you have to deal with it second and third hand.

Ms. Gray: Certainly, my understanding was that those same 24 day cares that called me yesterday also called the Minister's office, and I am not quite sure whether, in fact—I am not expecting her to return all the phone calls—the executive assistants did return the phone calls, because it would appear that all of us received a number of phone calls and we were listening to the concerns. I did mention to these day cares as well that certainly if they had concerns for the Minister and her department, that they should certainly as well direct them to her.

Could the Minister then just reassure us, and could she clarify with the day care office and ensure that her day care office will reassure the Manitoba Child Care Association that their regular quarterly meetings will continue?

Mrs. Oleson: Yes, by some strange coincidence, my phone was ringing yesterday, too, on the subject of child care, and the calls were returned when possible and I am sure they were all returned.

If the Member has a concern about meetings and the whole gamut of the Child Care Department, I will be quite happy to take it up with the director of that department and discuss it, and if there is someone feeling slighted at not having enough meetings, then we will have to work that out. But, I will say, in defence of that department, that they are extremely busy right now. This time of year, September, brings them a lot of work on their plate to do with applications for subsidies and so forth, and then with a change of policy of course their phone is ringing for people wanting information, as mine has been. If there is a problem with communication with the Child Care Branch of my department, then I will discuss it with the department and we will sort it out.

Ms. Gray: I would just like to say that when the Minister and her department are embarking on some substantial changes in policy, I would think that her Communications people would certainly tell her that in any type of change which affects the public, a number of agencies and associations, one of the best ways to facilitate that change in a positive way is to provide information, to get consultation, to have as much detail as possible to get the various segments of the community on your side, to have the knowledge about the process that is taking place, to have the knowledge about the kinds of policy directions that are occurring. In that way, you have participation of key components within communities, within other community agencies, so that when major changes are made in policy and policy direction, there is some support, there is an understanding of those policy changes and in fact things run much smoother as opposed to not having anyone know what is going on, creating a feeling that meetings have been suspended.

If they have not, obviously, for whatever reason, that message has been out there and has caused much concern on the part of the Manitoba Child Day Care Association and the day care operators within the province.

I would suggest that when the Communications Branch is developing strategies, they take a look at

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how you bring about policy and change, and how you make sure that that policy and change can best be affected and can be supported by some people and get the communities' feedback and their input, and do it in an open consultative way.

There is a lot of information on how you create change. Fortunately, the previous administration is probably very good at knowing exactly how not to do that, and we have seen examples in the previous administration of how again they went about looking at policy and changes and did not consult. I am not saying the Government should not move ahead and provide leadership, but I think it is very, very important that community groups and agencies be consulted, be made to feel a part of the democratic process, be allowed to participate and that understanding, that a feeling of openness and communication is paramount with the public, with community agencies, with everyone, particularly in the area of Community Services, because we are dealing with such a complex department, we are dealing with a very, very diverse group of people where policy decisions have major, major impacts on all segments of society.

Mr. Chairman: Shall the item pass? 1.(d)(1) Salaries—pass; On (d) Communications: (2) Other Expenditures, \$54,500—pass.

1.(e) Financial Services: Provides departmental administration and direction on fiscal management and control, including the Internal Audit function. Also provides central accounting, budget, revenue and financial services. (1) Salaries, \$611,700.00. Shall the item pass? The Honourable Member for Ellice.

Ms. Gray: Thank you, Mr. Chairperson. In the Financial Services area, one of the objectives is the Internal Audit function. My understanding is that an Internal Audit was conducted by the Department of Community Services which reviewed the Welcome Home Program. Am I correct?

Mrs. Oleson: Yes, there was a program audit done of the Welcome Home project

Ms. Gray: Could the Minister provide for us, give us an indication of what the objectives were of this review that was conducted of the Welcome Home Program?

Mrs. Oleson: If the Member will be patient for a moment, we will have it right away. You can go ahead then. One of the staff has to get the information.

Ms. Gray: I will hold my questions on—

Mrs. Oleson: I did not expect to hurtle ahead like this.

Ms. Gray: Do you think we will wrap this up by five?

I will suspend my questions on the Welcome Home Review and ask a couple of questions related to the Financial Services.

Is this section of the department responsible for setting up commitment accounting systems throughout

the departments, throughout the various components of the department?

Mrs. Oleson: In conjunction with the Department of Health, yes, that is right.

Ms. Gray: Could the Minister tell us if commitment accounting, a system, is in place in all the Health and Community Services regions in the province?

Mrs. Oleson: Yes, it is.

Ms. Gray: Have there been any concerns expressed by community agencies or by the regions themselves as to how well this commitment accounting system is working?

Mrs. Oleson: There were some issues and concerns raised, but these are being worked on and are being ironed out.

* (1620)

Ms. Gray: Could the Minister identify for us what these particular concerns were, and where they were? Are they throughout the commitment accounting system in the province? Are they specific to particular regions, or could she elaborate on that for us?

Mrs. Oleson: There were some concerns in how different areas kept their accounting ledgers, but these concerns have been answered and the modifications are being made.

Ms. Gray: Can we be assured, then, that with the commitment accounting system in place, particularly within Community Services, in the regions, that in fact an accurate accounting of monies expended, monies committed, is available?

Mrs. Oleson: That is the objective of the accounting system.

Ms. Gray: I can certainly appreciate that the Minister is new to this department and the number of the questions that I am asking certainly may be in relation to information that has been of much concern when the previous administration was in power. There have been some indications to me by outside agencies in the community workshops, community residences, that in fact the amount of time that it takes for them to receive their per diem amounts once their invoices are submitted to the regions is very, very lengthy, could the Minister indicate to us if in fact her departmental staff have received any concerns by community workshops or community residences?

Mrs. Oleson: That concern has been raised. There are steps being taken to shorten that time. I am advised by staff that they are up to date now with the payments.

Ms. Gray: Could the Minister indicate to us approximately what now then is the length of time from the time that an invoice is received by the regional

office and to the time that in fact payment is received by the community workshop or community residence?

Mrs. Oleson: I understand that from the time it takes to go from the agency to the Finance Department, the turnaround time is about three weeks.

Ms. Gray: Just again a clarification. Can we be assured that, by and large, then in the majority of cases that the turnaround time for payment of bills in all the regions will be three weeks?

Mrs. Oleson: That is the objective, is to have the turnaround time as short as possible. Right now the department is particularly busy with accounting procedures and so forth because of the Budget passed and this process that we are going through, and grant payments. There are some times in the year where it would take a little longer. Our objective is, of course, the shortest time possible.

Ms. Gray: I just want to comment that if her department has been able to achieve that, by and large, a turnaround time of three weeks, I certainly congratulate her department because there have been many, many difficulties in the past regarding payment of bills. If some of the those problems had been resolved, we certainly appreciate the efforts that have been made in that area.

Do we have the Welcome Home Review? May I go on asking questions?

Mrs. Oleson: I would just like to of course say, yes, that is an objective, is to get a short turnaround period. The Member will realize this year has been very unusual in that there had to be special allocations. There was difficulty in cash flow. I know that some agencies did have some concerns and some difficulties because of it. I have indicated to them publicly that I am grateful for their patience. We do hope that this can flow easier in the future.

Ms. Gray: I have a few more questions on this. If the Minister will bear with me, I have a couple of process questions because I want to be clear in my mind about the process of payment of bills. When a community group provides a service, whether that be providing residential care services, providing additional care and support services, and they submit a bill, what is the process that is in place or what accountability is in place to ensure that the invoice submitted for services completed have been done? What accountability do we have built in within our own department to ensure, yes, we provided workshop services to 30 individuals at such and such a workshop during the month of June? Who approves that, in fact, that does occur?

Mrs. Oleson: The bill would go to the region involved for authorization and then it would go to this particular branch which we are discussing now. It would be checked and then it would proceed to Finance, and after that the cheques would be sent out.

Ms. Gray: Mr. Chairperson, who within the region then would sort of sign off or ensure that the services had been received?

Mrs. Oleson: The program supervisor.

Ms. Gray: Mr. Chairperson, do the Community Services workers, who would also have knowledge of who are in the workshops and residences, are they asked to give their okay as to the kinds of services rendered?

Mrs. Oleson: They would be the ones who did the placements so they would be able to verify the bill, yes.

Ms. Gray: Just to clarify, is there a process in place whereby the Community Services workers do also verify the invoices that come in?

Mrs. Oleson: They are signed off by the program coordinator.

Ms. Gray: The program coordinator would sign off the invoices, so therefore it would be up to the program coordinator then to ensure that information that they received was correct by checking with Community Services workers?

Mrs. Oleson: That is correct.

Ms. Gray: When community groups are paid for services by the Government—for instance, there was something in the past and I am curious to know whether it is still continuing. We still are trying to deinstitutionalize individuals from the Manitoba Developmental Centre and we have had the assistance of advocacy groups from the community, such as the Association of Community Living. There were times when the Association for Community Living, in fact, assisted staffpeople within the department in doing what was called at that time 24-hour planning. The Association for Community Living was paid for those services and my understanding was that the fee that was decided per 24-hour plan was \$200.00. Am I correct?

Mrs. Oleson: We will have to get that information for the Member.

* (1630)

Ms. Gray: Mr. Chairperson, could the Minister tell us if that is still continuing? Are advocacy groups, such as ACL or other agencies across the province, assisting Government staff in providing planning—call it 24-hour planning or comprehensive planning—are they being paid for those services?

Mrs. Oleson: The field staff are performing that now and, of course, the field staff are employees of the department so they would be getting wages.

Ms. Gray: I understand that the field staff have been performing that function and have been for a number of years, but that there also was some assistance that was given by people from the Association of Community Living, and I appreciate the Minister will be getting the information for us as to what the amount was. I am wondering. Is that still continuing, are we still utilizing

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the Association of Community Living to assist us in that comprehensive planning?

Mrs. Oleson: We are still working with that association, but they are not receiving a fee for the planning at this time. The field staff are doing the planning.

Ms. Gray: Could the Minister indicate to us when, and I can appreciate that now ACL is not receiving dollars, specifically for assisting with the planning when ACL in the past was actually being paid for conducting 24-hour plans, what was the process of payment? How, again, were we ensured as Government that they provided those services, and what accountability was built in? Is it the same as what you have explained earlier, a similar invoice system to community workshops and residences?

Mrs. Oleson: That was based on individual clients, and to my knowledge that was the system that was used.

Ms. Gray: Could I ask the Minister to check that information? My understanding was that when the 24-hour plans were conducted and outside groups were paid for those services that there were no checks and balances within the regional offices at all, perhaps with the regional director, but not within the individual district offices? Would she be able to check that information for us?

Mrs. Oleson: I understand that at one time there was a contract with ACL to help train staff for individual planning.

Ms. Gray: Could the Minister indicate to us what nature of services were in that contract, what services they were to provide and if there was a limited amount of dollars that were included in that?

Mrs. Oleson: There were guidelines for implementation teams to do that.

Ms. Gray: My question specifically, where was the accountability built in so that when an individual community group or an individual was asked to do 24-hour planning and did that 24-hour plan, where is the accountability built in so that, as Government should, there were assurances that, yes, John Smith, there was a plan done, and so and so conducted that plan and their payment was \$200 or whatever the amount was.

Mrs. Oleson: The individual program coordinator in each region performed that function.

Ms. Gray: I appreciate the Minister's information. I would be interested in having her check back to that because indications from information that I have are that program coordinators or area directors or individual staff who had responsibilities for that client, in fact, had nothing to do with the payment process at all as to who got paid for what 24-hour plans.

I am raising this concern because I think it is very, very important that accountability assistance be built

in and the more information we know about what was done in the past and what perhaps could be done better, that the better off the department is and the better off we all are.

Mrs. Oleson: I agree with the Member's sentiments on accountability and I was not here, of course, when these things took place. But I do concur that accountability is very important, and perhaps she will realize then that why some of the things are happening in this department are happening because of strengthening their accountability.

Ms. Gray: Would the Minister be prepared to look into that subject matter and report back to this committee as to her findings?

Mrs. Oleson: Yes, I can undertake to do that.

Ms. Gray: Do we have the information here on the Welcome Home Review?

Mrs. Oleson: The Welcome Home evaluation was directed at assessing the efficacy of the Welcome Home initiative. A study involved a longitudinal comparative analysis of the impact with the Welcome Home initiative on the quality of life, and the community integration of individuals discharged from institutional settings to community residential settings. It will be completed at the end of this fiscal year.

Ms. Gray: Could the Minister tell us when this review was initiated, the date or the month?

Mrs. Oleson: It was initiated in the fiscal year 1987-88. I do not have the exact date that the agreement was signed with the reviewer. The data was being collected as of 1985.

Ms. Gray: Is the Minister saying that in fact this review is still ongoing, and it has not been completed?

Mrs. Oleson: The review just started in '87-88, and it is a longitudinal review, so it would have to be done over a period of time to get any indication that you could use as a result, because it would have to be ongoing to see how people were functioning in the Welcome Home Program.

Ms. Gray: Could the Minister indicate to us who are the members of that review?

Mrs. Oleson: It is a contract with the Social Planning Council.

Ms. Gray: Now I think I know why there is confusion. I think we are referring to a different review. Could the Minister indicate to us—there are a lot of reviews in this department—if in fact there was an Internal Audit review done? The only way I can refer to this review is that one of the staffpersons, Pat Benson, was seconded to be part of that review and it was on the Welcome Home initiative.

Mrs. Oleson: There was a Mental Retardation Internal Audit. Perhaps that is what the Member is referring

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to. It advised recommendations, and they were forwarded to the regions, and they were discussed at the regional level. The new program head is shortly to be following up to ascertain what has been done and what still needs to be done.

Ms. Gray: I thank the Minister for that clarification. In regard to the MR Review that was conducted, does she have information here as to what the specific objectives were of that particular review or audit?

Mrs. Oleson: It was an Internal Audit. I do not have that information here, but as I say, it was an Internal Audit.

Ms. Gray: Is the Minister prepared to bring with her, the next day of Estimates, information on that Internal Audit?

Mrs. Oleson: We could provide a summary of that audit.

* (1640)

Ms. Gray: That Internal Audit, have staff and supervisors in regions been made aware of that audit and the recommendations contained therein, and are they being implemented?

Mrs. Oleson: I thought I had indicated to the Member that was shared with the staff and the recommendations were gone over. The implementation of those recommendations has either been done or will be done. As I said, the—director, no, I cannot think of his position—ADM will be checking to see if those recommendations in fact have been carried out. Excuse me, I could not think of his title. Sorry about that, Joe.—(Interjection)— No, that is not an indication of change.

Ms. Gray: The Minister seems to certainly have some information on this particular review. Could she indicate to us what were some of the major recommendations that came out of this review that required implementation?

Mrs. Oleson: Yes. As I have said, I would undertake to give the Member a summary of that audit.

Ms. Gray: Getting back to this Welcome Home Review, and it is being contracted out to the Social Planning Council. The Minister had indicated it was a longitudinal review. Is there a time frame, one, two or three years as to when —(Interjection)— oh, you mention the end of this fiscal year.

Mrs. Oleson: Yes.

Ms. Gray: Could the Minister indicate to us that, as part of the Welcome Home Review, is part of that review also to look at the planning process that was involved at all with the Welcome Home Program and how we have succeeded in implementation?

Mrs. Oleson: No, that was not part of the review.

Ms. Gray: Could the Minister tell us then what exactly is the nature of that review?

Mrs. Oleson: That was the one I read before, the longitudinal study. Would the Member like me to read that one again?

Ms. Gray: Would you table it? Would you prefer to table that?

Mrs. Oleson: I can read it into the record again. It is already on the record, but I could read it there and then she would have in perpetuity.

Ms. Gray: A question to the Minister of Community Services (Mrs. Oleson). Given that the Minister has certainly indicated in statements in the House that there have been concerns expressed by her Party regarding the Welcome Home Program in regard to the planning that had occurred and the implementation and that the program needed to be examined and reviewed and that in fact the Minister I believe, if I paraphrase, has indicated there certainly needs to be a balanced approach in services, could the Minister please tell us if she plans to undertake any type of major review in regard specifically to the planning that has gone on with Welcome Home, the implementation and whether in fact her department plans on continuing with the Welcome Home Program?

Mrs. Oleson: As the Member knows, the Welcome Home project was over at the end of March. We will use this Social Planning Council Review of Welcome Home, the longitudinal review, we will use that. We will use the M.R. audit. There are various tools at our disposal to study that.

With reference to will we continue of course, as I said before, the project itself actually wound down at the end of March, but what I am looking at in this department is a balanced approach. There are some people who will want to and their families will want them to move into the community. When suitable arrangements can be made, that is what will happen. There are people whose families will want them to stay in the institution at MDC or they will choose to stay there, and some may choose to have their family at home with them. The whole thing will be a matter of choice. When funds are available, we will hope to do what the people themselves want to do, but we will not start a massive movement of people whether they want to or not.

Ms. Gray: Could the Minister indicate to us, if the Welcome Home Program has wound down, are there still any establishment of priority lists in regions, priority lists that would indicate names of individuals in the community and in the various institutions who are being prioritized to move back into the community?

Mrs. Oleson: That is part of case management, that requirement that there be lists.

Ms. Gray: Could the Minister indicate to us if the Manitoba Developmental school or staff there, if there

are still lists of people who are in the Manitoba Developmental Centre where it was identified that they were ready or could be moved into the community? Are these lists in the hands of regional staff throughout the province? Is there an understanding from regional staff that to move these people into the community would be a priority and that is where the dollars available would be utilized?

Mrs. Oleson: There would be lists at MDC. There would be lists in the regions. When suitable accommodations are available, when money is available, they would be able to be moved.

I think one of the problems that has surfaced with a large movement, a quick movement, shall we say, of people into the community, what we were faced with was not quite enough support services within the community. So I think there should be some stabilization of that before we would do any major movement.

On an individual basis, I am sure there are lots of individuals whose wishes could be accommodated by one way or another if they wished to move out of the institution. But that information is available. Of course, at MDC, they will have records on every patient, and the information is also in the regions.

Ms. Gray: Have there been any numbers projected as to numbers of people who perhaps should be coming out of the Manitoba Developmental Centre in the next year? In the past, with the Welcome Home Program, there were projections of how many people they wanted to place in the community from MDC and then a matched number of community individuals as well. Is the department still continuing on with these projections of numbers of individuals to be moving back into the community?

Mrs. Oleson: No, there is no quota if that is what the Member is referring to. What we are interested in is individual needs. That is a priority, individual needs, not the place of residence exactly of the person but what they need individually.

Ms. Gray: The Welcome Home Review that is being conducted, is any part of that review going to be speaking with community groups who would be part of the regional implementation teams and district implementation teams?

* (1650)

Mrs. Oleson: The main thing that is being addressed is the quality of life. The other issue may be part of the study, but the quality of life in the present situation of the person is the main thing.

Ms. Gray: Could the Minister tell me, are the regional implementation teams still in operation?

Mrs. Oleson: Yes, they are. They are mostly in an advisory capacity.

Ms. Gray: Could the Minister of Community Services (Mrs. Oleson) tell us, if these groups are still in operation

in an advisory capacity, are these groups quite aware of the fact that the Welcome Home Program, as it was called, has wound down? Are they of the understanding that they are there as advisory, whereas before they were actually there actively planning and implementing programs and the move of people into the community?

Mrs. Oleson: The relationship is with the regions, but it is my understanding that they know that they are now in an advisory capacity.

Ms. Gray: Can the Minister tell us if then these particular regional implementation teams have changed their terms of reference because their mandate of operation has changed?

Mrs. Oleson: The change has been quite recent, so we do need to follow up and be sure that their terms of reference have changed.

Ms. Gray: Could the Minister explain for us what she means by an advisory capacity?

Mrs. Oleson: They advise on individuals and programs. That is their function.

Ms. Gray: Does that mean then that, if they advise on individuals, do they get involved with the case planning of individuals? If someone wants to move from St. Amant into the community, do they have to advise or sanction that particular movement?

Mrs. Oleson: Yes, they could get involved in that way in advising if there was some move going to be made, but they do not have the final say on whether that move is made.

Ms. Gray: Could the Minister tell us if these regional implementation teams, do they have any involvement in receiving, let us say, proposals from a board of directors who wants to start up a community residence? Would they have any involvement in that?

Mrs. Oleson: Yes, they would.

Ms. Gray: Is there involvement in the nature of being advisory or do they have some say as to whether in fact that proposal is a good one and will be followed up on by the Government in terms of giving out dollars?

Mrs. Oleson: As I had said before, they are in an advisory capacity and we listen to their opinion on individual cases. But as I also said before, they do not have the final say.

Ms. Gray: If this group does not have the final say, who then would have the final say if a community group presents a proposal on developing a community residence?

Mrs. Oleson: It would depend on the resources available, for one thing, and then it would depend on the region whether or not this project would go forward.

Ms. Gray: Then do I assume that it is the region or regional staff who would have a final say as to whether

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a proposal would continue on for receiving monies, not the advisory group. Is that correct?

Mrs. Oleson: It would be the Programs Branch that would have the final authority.

Ms. Gray: Okay, now I am just—

Mrs. Oleson: It would probably be the Minister, actually, but I mean it—

Ms. Gray: If I could use an example, let us say a region received a proposal from a community residence already in existence, as an example, and they wished to open up another residence. They had decided that, for whatever reasons, the proposal was not viable and had turned it down. Does the region then have to still send that proposal forth, because if the Programs Branch makes the decision, they could veto what the region had to say?

Mrs. Oleson: The ultimate authority is with the Minister and, of course, that depends on the budget. It may be the best program in the world devised and it would be wonderful to do it but, if there were not the resources, then it would not be able to be authorized.

Ms. Gray: Given the Minister has indicated that, of course, a budget is something to consider here, are the regions then aware of what budget they have so that they have some indication of what proposals might be reasonable to accept at a regional level and move on up through the system, and what would be totally out of their budget capacity?

Mrs. Oleson: They do not have the authority to start a new program unless there is budgetary approval for that program to go forward.

Ms. Gray: I can appreciate that the ultimate decision does lie with the Minister and I am assuming that she delegates that authority, since I am sure she could not possibly review every proposal from every community residence and group across the Province of Manitoba. I am still unclear as to where that authority is delegated to. Is it delegated to the region, i.e., the regional director, or does it remain with Programs Branch, or is it with external agencies?

Mrs. Oleson: It is done through the Regional Directory, with Policy and Resources. It ends up on the Assistant Deputy Minister's desk and then, ultimately, on mine.

Ms. Gray: If a region decides that a proposal, a community residence is good, is needed, meets with the needs identified in a community and they approve in principle the development of that community residence and then, I understand, it moves to Programs Branch for approval?

Mrs. Oleson: Yes.

Ms. Gray: Can then Programs Branch veto that proposal?

Mrs. Oleson: They can veto it if there is no policy in place to support that particular program and, if there are no funds available, there would be very little point in them approving it.

Ms. Gray: The Minister has indicated they could veto if there was no policy in place to support that program. Would not the region have a full understanding of what the policies would be, and certainly would not move a project up that was in contradiction to existing policies?

Mrs. Oleson: No, I would hope they would not. What I was indicating was that the project should be within the guidelines of the policy. I was not indicating that the staff would not know the policy.

Ms. Gray: Within the regional implementation teams, speaking of Welcome Home and its implementation, there were guidelines that were established for communities and community groups. Have any of those guidelines been modified or changed in the last few months?

Mrs. Oleson: Could you clarify the question?

Ms. Gray: I was referring to planning guides, something referred to as planning guidelines, which were established at the beginning of the Welcome Home Program and were given to all district implementation teams and regional implementation teams. It was to provide guidelines as to what kinds and types of proposals they should be looking at or, in fact, developing within their own districts. I am just wondering if any of those guidelines in regard to number of people in residences, location of residences, if any of those guidelines have changed or been modified.

* (1700)

Mrs. Oleson: Since the Welcome Home Program has wound down, that would no longer apply except that the standards involved would still apply if there was a program to be adopted.

Mr. Chairman: Item 1.(e)(1), shall the item pass?

The hour being 5 p.m., it is time for Private Members' Hour.

Committee rise.

* (1440)

SUPPLY—INDUSTRY, TRADE AND TOURISM

Mr. Chairman, Mark Minenko: I call this section of the Committee of Supply to order, please. We are continuing our consideration of the Department of Industry, Trade and Tourism. We are on item 2(b)(1) of the Current Operating Expenditures as presented in the Main Estimates of Expenditure of the Province of Manitoba.

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): Mr. Chairman, there have been a number

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of questions in committee concerning sectors which could be adversely affected by the Canada-U.S. Trade Agreement. Today I am going to table a number of studies which assess the impact of the agreement on a national or on a provincial basis.

At the same time, I would like to stress that none of the impact studies nor our consultations to date with individual industry sectors indicate there will be entire sectors which will require significant adjustment. In all sectors, there are mixed views concerning impacts and the consensus is that individual firms, rather than entire sectors, will need to adjust to maximize benefits from the agreement.

Having said that, there are some sectors which we expect will have a greater adjustment need than others. These are furniture, horticultural fruit and vegetable processing, printing and publishing, millwork and poultry processing. However, I would again stress that we are only dealing with the adjustment of individual firms and not with an entire industry sector.

To present a balanced view of the agreement, I must also refer to the Manitoba sectors which are generally conceded to benefit from the agreement, which include aerospace, electronic products, mining, forestry, hydro electric power, transportation equipment, machinery, business services, livestock, beef, pork and canola. That is an impressive list. Moreover, these sectors are distributed throughout Manitoba in the north, central and southern regions in both rural and urban areas.

Mr. Chairman, you might ask or other Members of the committee might ask about sectors that I have not mentioned. In those sectors analysis to date indicates a neutral impact. That is, the agreement will not have any significant positive or adverse effect on operations or on employment.

I would also refer to other benefits of the agreement. Improved temporary entry for business persons, servicing products, custom combining and things of that nature. Consumer benefits, annual per capita savings of \$180 to \$275; or \$600 to \$1,100 for a family of four; \$5,000 to \$8,000 reduction in the formation of a household. A broader selection of goods and services available to all Manitobans, creating nearly 12,000 new jobs as indicated previously. Improved dispute settlement procedures with strict time limits and reduced costs—something that is not in place now and has not been of benefit to Canadian and Manitoba industries to date. There is no adverse impact on cultural industries; Canadian sovereignty; provincial Government procurement practices; the brewing industry; existing laws and regulations; or supply management programs as was raised yesterday by my honourable friend from the Interlake.

I am tabling today the following documents. A document entitled: *Venturing Forth* by the Economic Council of Canada; The Canada West Foundation—*Evaluating the Fine Print of the Canada Free Trade Agreement and Western Canada*; Government of Saskatchewan, *Canada-U.S. Free Trade Agreement—What it Means for Canada*; Government of Alberta, *Canada-U.S. Free Trade Agreement—Questions and Answers*; Government of British Columbia, *Free Trade*

Agreement—Impact on British Columbia; Government of Quebec, the *Canada-United States Free Trade Agreement—A Quebec Viewpoint*; and *Industry, Trade and Technology Comment on Manitoba's Horticultural Industry Under Free Trade*.

* (1450)

Mr. John Angus (St. Norbert): I am sure that I will read with relish a number of these reports, most of them I have already seen and already read. What we have been after in relation to the Estimates are the studies that have been done by our Government and our department.

Having said that, Mr. Chairman, I appreciate the Minister making the effort to provide this information to us. I am sure my colleagues and myself will find that valuable.

As you know, for some time, I have been posing that we could move along in this form of the Estimates—actually, bring the Industry, Trade and Tourism portion to a conclusion. I am not sure if it is the will of the committee or where we are at in terms of moving along. I would like to reserve the right to speak if we are not going to be shutting these down. I could, in fairness, ask questions ad nauseam on specifics and details on things that I would like some information on.

Quite frankly, we have got a brand new Minister in a department that has amalgamated, has put together some strategies and some programs to try and accomplish some things. Our official position, as the Official Opposition, has been to try and give them a chance to do what they can do. If they do not succeed in their efforts, then we will be the first to point out the areas where we feel they can improve. If they in fact do succeed in their efforts of creating a more vibrant economy with more jobs, then we will be pleased to take some of the accolades for cooperating with them in that venture.

Mr. Chairman: Is it the will of committee to pass item 2.(b)(1)?

Mr. John Plozman (Dauphin): First of all, I want to just say briefly that we would like to move along on some of these lines today and move onto the trade discussions under the proper section. There will be some more trade discussions that we would like to have. We will have some minor questions, perhaps, on the other sections—Financial Programs and Health Industry Development Initiative—but not of any length.

I just want to say that the critic for the Liberal Party, the Member for St. Norbert (Mr. Angus) has stated that he could ask questions ad nauseam. I hope he was not reflecting on the questions that we have been asking and the discussions we have been having. I do not think it is the case of discussions for the sake of discussions—ad nauseam so to speak. We are trying to explore areas of concern to us and I think they are legitimate. I do not think it is proper for anyone to reflect on legitimacy and I do not know that the Member for St. Norbert was doing that, but I think that could have been read into what he said.

So we would like to cooperate and move things along for the Minister's information and I would indicate at this time, Mr. Chairman, that we will be prepared to pass Industry (1) and (2) at this time.

Mr. Chairman: Item 2.(b)(1)—pass; 2.(b)(2)—pass; 2.(c) Financial Programs—the Honourable Member for Dauphin.

Mr. Plohman: Mr. Chairman, I just wanted to ask the Minister to give us an explanation for the reductions there in the Salaries component of the professional/technical area. There are seven SYs indicated, so there is no change in the staff and yet there is a reduction in the Salaries of professional/technical by over \$127,000.00. I just want the Minister to explain that change if he could.

I am now on page 113 of the Main Estimates, and in the Supplementary Estimates, page 36.

Mr. Ernst: If the Members of the committee will pause for a moment, anticipating that we were going to continue on free trade, we had the trade officers here, not the financial administration officer, he is outside. So if you wait just a minute, we will get him and get an answer for you on that.

Mr. Plohman: I would ask the Minister, while we are waiting for that information, if he could give us some explanation of his views of the Venture Capital Program that is included in this particular area under (c) and the fourth one, Venture Capital \$1,018,900.00. Could he give us his position and the Government's position on the Venture Capital Program which has been in place now for a number of years in the province and his views as to the success of that program and his feelings with regard to the future of that program?

Mr. Ernst: The Venture Capital Program, perhaps for the information of all Members of the committee, permits the Government to enter into Venture Capital companies for up to 35 percent of the total capital or maximum of \$700,000.00. The down side, of course, is that the Venture Capital company investment fails and we lose our money; the upside is the 7 percent interest rate return on the Government's investment. Today this had mixed success.

This is not the policy of the Government, it has not been approved but it is something that I am investigating in terms of the internal operations of the Venture Capital Program. I would like to see if we are going to—and I think that Venture Capital is required, that Venture Capital assistance from time to time is of great benefit to companies wishing to start up in Manitoba or to expand or to do whatever. But there needs to be I think some upside with respect to the investment of the people of Manitoba. If the taxpayers are going to take all the risk in terms of investment on the down side, then I think they need to have a similar opportunity on the upside. I think a limitation of 7 percent interest rate return on a preferred share basis is not adequate.

* (1500)

That is something we are reviewing and as our review is completed and as considerations are given to it by

our Government, we will make an appropriate announcement in due course. But I think in general terms—and Venture Capital is also put forward, for instance, by the Small Business Growth Fund. That is another area that we think has had considerable success up to this point but needs additional funding. It is my hope we will be able to convince private sector investors that this is a good opportunity for them, and that we will be able to convince them to provide additional funding under the Small Business Growth Fund, which also provides that Venture Capital opportunity.

(The Acting Chairman, Mr. Cheema, in the Chair.)

Mr. Plohman: I appreciate hearing the Minister's views on that program. I wanted to also follow through with one additional question on that program, and that is whether the Minister has a breakdown of the number of businesses that have taken advantage of this program in rural Manitoba as opposed to the City of Winnipeg or Brandon.

Mr. Ernst: Specifically, no. I do not have that information available. I would be happy to provide that information to the Member in due course, but unfortunately we do not have that statistical data here.

Mr. Plohman: I would like to ask the Minister to undertake to make that commitment because I would very much like to have that information as to the breakdown between urban and rural. I imagine this operates in the North as well and if it does, rural and northern, as well as the City of Winnipeg, so we can get an idea of where the benefits of this program have been going and the take-up of it. I thank the Minister for that undertaking.

I would like to ask as well a question about the Urban Bus Agreement and ask the Minister precisely what the \$1,040,000 will be spent on in that area.

Mr. Ernst: I am in a bit of a quandary. We have two principal applications and one other, I believe it is, application under that Urban Bus Agreement which has not yet been cleared by the federal Government. As the Member knows, the federal Government and the provincial Government, once each level of Government has approved the application forms for those specific projects, then they are announced.

As they have not been approved by the federal Government yet, although it is in the works and we anticipate the approval shortly, I am a bit stuck in the sense that I do not want to tell the Members of the committee specifically what they are, because then that information becomes public and our partners in the agreement, the federal Government, get relatively upset when that occurs. Particularly, the companies involved get upset because they do not have an opportunity to respond either, once that information becomes public.

So I would prefer, with the indulgence of the Members of the committee, to not divulge the names of those companies at this time.

Mr. Plohman: I can appreciate that. I would ask the Minister to name the companies if he can, if there have

been some approved, but specifically to describe the nature of the project as opposed to naming the companies?

Mr. Ernst: If I describe the projects I will not need to name the companies. They will be available. Let me say this, that they are -(Interjection)- no, but what we do have are two companies, the principal amount of this money. There are two companies working on prototypes for other components or other features of urban buses, and those projects are ones that are under consideration at this time under the agreement.

Mr. Chairman, if I can continue, I am advised that under the previous Government's administration, Flyer did receive an approval under this agreement for a variety of prototypes, one of which was an articulated bus, so I did not want to leave any misimpression on the record. But that is outside of this amount of money.

Mr. Plozman: Okay, so what the Minister is saying is that there are two other possible projects, or one that will be chosen from two applications where this money could be spent?

Mr. Ernst: Neither are related directly one to the other, and both are under consideration, and both, we hope, expect to be approved.

Mr. Plozman: We are prepared to, if there are no further questions from any other Members, to pass this section of the Estimates.

Mr. Angus: First of all, I want to thank my honourable colleague for his cooperation in moving these along, and I did not mean to impute any motive in relation to any of his question asking. I am prepared to pass this section as well. I have no further questions on it.

Mr. Plozman: We had asked a question at the outset that we do not have an answer for yet. Do we have that answer and, if not, we would pass that subject to getting that information?

Mr. Angus: If I am to say with my colleague, again I recognize that we have a new Minister, and we have amalgamations of departments and that he is going to be doing an excellent job and I have had familiarity with him and have good faith in him, but it is my understanding as well that any questions that he has taken as notice that he is assuring us that he will get back to us with the information, I agree—he is an honourable man, and I am just assuming that it is taken as accurate information that he will be returning that, even though we do pass this. I do not want to close the net off to getting information that has legitimately been requested and that we have said, by some technicality. I am sure that the Honourable Minister does not play it that way. So if we close off this portion, it is understood -(Interjection)- Thank you.

Mr. Ernst: Firstly, with regard to the Venture Capital Program, I have an answer here, at least a partial answer anyway. There were 34 approved applications in the City of Winnipeg, and there were 14 in rural Manitoba.

These are all approvals. I do not have a division between the North and the South in rural Manitoba, but there were 14—and I also understand, Mr. Chairman, that there are other vehicles to be used, CEDF for one, in northern Manitoba that is not always available in southern Manitoba.

With regard to the original question dealing with the question of salaries, why the print Estimates is lower than the adjusted vote, I am advised by the administration that there ought to have been a provision in there for the salaries for those persons who were no longer employed within the department, that provision for \$151,000 ought to have been included and was not. So that is why there is a differential between one and the other. There ought to have been \$151,000 additional included in the printed Estimates to cover for the costs of those people up to the end of August, I believe it was, this year.

Mr. Plozman: Just on that then. Could the Minister indicate where that \$151,000 is located, in what section of the department? Secondly, I would like him to follow up with more information on the Venture Capital Program, the breakdown is 34 and 14 for rural, 34 for Winnipeg, the dollar breakdown as well on that. If he does not have it here today, of course, as soon as he can get that information.

I want to just comment on the Member for St. Norbert's (Mr. Angus) comments that we take it for granted that any questions asked here, if the Minister commits to answering them, that we will get the information. The question is, when? It is naive to just assume that those answers will come before the Estimates have been completed. In many cases in the past, in many instances, this information is not provided for some time later, after the Estimates are completed. It happened when I was Minister, it happened in many instances, especially if it is a detailed question that requires a lot of staff time and research. So therefore when we are asking these questions that do not take that much time, we want to ensure that we have those answers before we complete the Estimates. That is all we are asking for, if it is at all possible. If it is not, the Minister should feel free, of course, to tell us that it is not possible.

Mr. Ernst: I am more than pleased to be able to provide that information as quickly as we can. I also appreciate the fact that Members are not asking long, detailed, obscure questions which require a lot of staff time and a lot of effort, and are really not terribly productive. So I recognize that the Members opposite are cooperating in that regard. I appreciate it and I am sure that the staff appreciate being able to do productive things, and suppose they are trying to dig up some obscure information. But as I indicated, Mr. Chairman, we do not have that information here directly but I will provide it within the next couple of days if I can have a little flexibility in terms of that, but as soon as the staff can pull it together we will provide it.

Mr. Plozman: Before you pass this, just one point. The question with regard to the professional/technical staff, the Minister indicated that there should have been

another 150,000 in there to pay for salaries. Where is that being taken if it is not in that budget?

Mr. Ernst: Mr. Chairman, it is not included in the budget. It is a very simple answer. If the department overspends during the process of the year, of spending, then it will either be drawn from other areas, bits and pieces here and there to cover off that amount, or we will have to go back to Treasury Board for an additional appropriation in order to cover the amount. It was missed. There was an error in the preparation of the Estimates dealing with the combined department, and I appreciate that in combining those departments, it was a very large job, it was done in a relatively short period of time and it is an honest error.

* (1510)

Mr. Plohman: Mr. Chairman, that is quite a revelation because we assume that we are dealing with numbers here that are accurate and reflect the spending in those areas as well as is possible. So I find it amazing that the Minister has just simply said that this is an error and he dismisses it as a simple error. It is \$130-some thousand, or 151 he said, should be in there. Can we assume that there are no other similar errors in the rest of this budget, that we are dealing with the information that is correct insofar as the Estimates of this department and, if not, could he point out where there are other discrepancies?

Mr. Ernst: I am advised by the financial officer of the department that this error is the only error contained in the Estimates. I do not want to dismiss it out of hand because the Member is quite correct, the numbers presented in the House must, within every possible way, be true and accurate numbers. Unfortunately an error was made, and I say I do not want to dismiss it out of hand at all but, at the same time, human beings are involved in this process and human beings from time to time will make an error. Unfortunately that occurred in this instance and, as I say, the department will pay ultimately for that error because we will have \$151,000 less money to spend in the overall.

Mr. Plohman: Mr. Chairman, we had indicated we were ready to pass this, but I think this is quite a major error on behalf of the Minister. I want to indicate whether he, in fact, signed the Estimates that he presented to Treasury Board in their final form.

Mr. Ernst: Yes, Mr. Chairman, I did.

Mr. Plohman: Mr. Chairman, the Minister is basically indicating that it was in fact his error that has occurred here. We will leave that until the end.

Mr. Chairman, with considerable concern about that kind of a thing happening, that sloppiness by the Minister, we will be prepared to pass this line at this time.

Mr. Angus: Mr. Chairman, I do not see a great closeted scandal here, I see an error. I would request of the Minister that if he becomes aware, and when he does

become aware of any other calculating-type errors, that he simply make the committee aware and we can deal with them in a sense of good faith. None of us here are errorless or faultless in any areas and while he is ultimately responsible for his department, this is relatively minor in the broad scheme of things, so we are prepared to pass this, Mr. Chairman.

Mr. Chairman: Item 2.(c)(1)—pass; 2.(c)(2)—pass; 2.(c)(3)—pass. Item 2.(d) Health Industry Development Initiative.

Mr. Angus: Mr. Chairman, I would like to ask the Minister to request of his staff—and this is general, it may not just apply to this particular Health Industry Development Initiative, but it seems to me that there might be a large chunk here.

I would like to know, out of his total budget of all departments, and I would like it separated, if possible, between Industry, Trade and what was formerly Technology and Tourism, but I would like to know how much money is actually being spent on Research and Development, or being earmarked for Research and Development and how that works.

I had some concerns expressed to me, Mr. Chairman, in relation to the Technology portion of his department being just dropped and being included in with the amalgamation. I have been trying to assure people that the Technology has only been dropped from the name of the department and not an actual fact.

Nonetheless, there are some real questions there as to the amount of money that has been invested in terms of Research and Development separate from capital funds, and possibly he even separated from, or earmarked for, salaries of Research and Development people, because Research and Development is an extremely important component of any industrial technology development program and it would certainly be, I think, in the Health Industry Development Initiative.

Mr. Ernst: In terms of all areas of the departmental Estimates, we do not spend any money directly on Research and Development. We do, however, have \$466,000 in the budget for private sector Research and Development. We have \$1,040,000 in the budget under the Urban Bus Agreement, which is basically R and D, and we have \$2.8 million in the budget for the Manitoba Research Council, which also does conduct Research and Development activities.

Mr. Angus: The nearly half-a-million dollars that the Minister indicated being \$466,000, being directed to the private sector for Research and Development, could I just get perhaps a more detailed explanation of that?

I find it strange that the Government is not breaking down into compartments that say, to business, here is a certain amount of money, and a certain amount can be directed to capital, which might mean the acquisition of new equipment, and a certain amount may directed to the retraining and/or the development of staff to be able to work that new piece of equipment, but that a certain amount should also be directed towards Research and Development, to allow companies to be competitive and to allow them to participate in it.

It just seems to me, from the limited business experience that I have, that that is an area where this Government might be interested in taking a more aggressive approach. I am just wondering if there can be a bit more of an explanation as to how they intend to do that.

Mr. Ernst: The \$466,700 is shown on line 2.(c)(3)(b) Technology Commercialization—\$466,700.00. In addition to that, there is the Manufacturing Adaptation Program which also deals with assisting companies in bringing their industry into the 1980s in terms of an upgrade of technology related to their operations, so that there is an additional \$315,000 spent on that. As I say, the Urban Bus Agreement, which is basically R and D technology area, is over \$1 million; and, of course, the Manitoba Research Council, which does private-sector work for a variety of Manitoba companies—about half of their income and we will get to that in due course, Mr. Chairman—but about half of their income comes from private-sector contracts, applied technology situations, testing, R and D, for a variety of companies in Manitoba and elsewhere in the country.

Mr. Angus: I am going to have to learn how to phrase my questions more specifically so I can get more specific answers, and I assure the Minister that I will. I will be able to do that.

Can I move into the Health Industry Development Initiative? I would just like to ask in general, on an overview—"In addition," it says here, "\$800,000 is included in the Canada-Manitoba Enabling Vote for the Canada-Manitoba Health Industry Development Initiative." Could I get an explanation of this funding and the conditions or the circumstances surrounding this funding? Are there strings attached to it in terms of how we can spend the money and what we can spend it on? -(Interjection)- It does not seem to me like sugar beets. The Honourable Member to my far left here is suggesting that it is for sugar beets, but that does not seem to be a health initiative-type of thing.

* (1520)

Mr. Ernst: Mr. Chairman, just in terms of the Health Industry Development Initiative, I, along with the federal Minister of Health about two-and-a-half or three weeks ago, signed an agreement with the federal Government on a health industry development strategy for Manitoba. We have seen several announcements come about from that to date: the Aging and Rehab Product Development Centre, the Otto Bock Industries announcement and expansion of their facilities, the virology lab, and we anticipate several more in due course. We are very pleased that the agreement was signed. We are pleased that these activities are now taking place in Manitoba, and we look forward to a wide variety of others.

From these initiatives, particularly the Government-supported initiatives, we are going to see spinoff benefits. Private companies either in support of those initiatives or resulting from those initiatives where they will make use of their facilities in terms of their own

operations, so that we will have additional spinoff industries associated with those. We are pleased that agreement came to fruition. We did talk about it earlier on in our budget discussions, and we are pleased that we are heading in that direction.

I am neglectful, Mr. Chairman, in introducing to the Members of the committee Mr. Ian Blicq, who is the Assistant Deputy Minister responsible for the Health Industry Development Initiative. He, along with his staff, are working very diligently and very hard on these issues with health-related companies around North America, and we are pleased with the work that Mr. Blicq has been doing, he and his staff. I am happy to see that some of the work that he has done, some of the investment in terms of time and energy that he has made, has in fact come to fruition. I am sure that he is as pleased about that as I am.

With regard to the question of the enabling vote, what happens apparently is with regard to federal-provincial agreements. It is voted as a separate line in the budget, a lump sum of money dealing with federal-provincial agreements. Once the federal-provincial agreement is signed, money is allocated. In this case, this money will be going towards the Aging and Rehab Health Product Development Centre.

Mr. Angus: I too applaud the efforts of the administration and Mr. Blicq and the Minister in taking this initiative. I think that it is an excellent opportunity to set Manitoba up in a very unique and a very required area of the business development and social care field, that being the medical field.

In terms of the monies that he has mentioned and the grants that he has suggested have been given away to people like Otto Bock and those other firms, that is far in excess of the \$800,000 and I am just not sure of the tie-in. At the end, he suggested that the \$800,000 was given to, I think it was, the municipal hospitals area where they are going to be putting the aging facility -(Interjection)- Certainly, I hope the Minister is not indicating that he is feathering his bed for the future! Could he perhaps give a—point of order, not that old. Could he give me a bit more of an explanation as to where the money has come for these industries that he has said are getting grants and what that has to do with the total Health Industry Development Initiative, and how it works in relation to the budget that is identified here? It seems to me, if I may just try to give some direction of where I am coming from, they might be saying that this is the administration that is going to try and pull these programs together from other areas and make it happen. I am a little confused about it.

Mr. Ernst: The object of the federal-provincial initiative is to lever federal money into these programs so that, for instance, the Otto Bock announcement was an entire federal initiative. All of the money for Otto Bock came from the federal Government Western Diversification Fund. With regard to the Aging and Rehab Product Development Centre, 50-50: 50 percent, Western Diversification; 50 percent, Province of Manitoba. The virology lab will be 100 percent federal Government. As other initiatives come forward, we will either be

funding them jointly or the federal Government will be funding them entirely, or we will be funding them entirely.

Under that overall strategy, the aim is to collectively, between the federal Government and ourselves, create an industry in Manitoba that will service both the employment requirements of the people of Manitoba as well as the product development for an aging population which we see as a major market opportunity, and which ultimately will create additional spinoff industries both for entrepreneurs and jobs related to those entrepreneurial investments.

Mr. Angus: It is my understanding that the department spearheads this initiative and it is just primarily administrative salaries. There is no actual money that comes out of here to stimulate the medical field. That money comes from someplace else.

The Minister was suggesting, if I may just clarify then, I was trying to get a handle on what this .5 million, this \$400,000 is designed to do. Is this money purely and simply to provide Mr. Blicq and his storm troopers money so that they can go out into the North American continent and find out where the needs are and what opportunities are available for Manitobans and bring them back in here? There does not appear to be any money in here to take the initiatives that the Minister was indicating. It is obviously coming from someplace else.

Mr. Ernst: Presumably, the Member is talking about the \$158,000 in the line in the -(Interjection)- well, salaries are salaries. We have two contract staff supplementing Mr. Blicq's department at the present time for the South Industry Development Strategy.

The other expenses, \$158,800, basically cover the operating costs of the department: \$36,000 approximately for transportation; \$3,000 for communications; supplies, services, rentals—I am sorry, the contract staff is included under the \$104,000 for that supplies and services etc., as well, and other operating costs of about \$16,000.00.

But by and large, as the Member well knows, to put somebody into the field, you not only have to pay his salary or her salary, as the case may be, but you also have to pay for those other expenses related to that salesperson.

Mr. Angus: I appreciate the Minister's answer. It is lose-lose, I guess in some cases, Mr Chairman.

I do not know how much money you have put in here for public relations and/or promotion and/or salesmanship. As the Minister has indicated, it costs money to put salesmen in the field. I think that this is a worthwhile initiative that should be supported and, where my concerns about investing taxpayers' dollars may be legitimate in terms of paring and cutting from an Opposition standpoint. In this particular case, I wonder if they have given sufficient resources in order to be able to do a successful job in terms of the expected results that they are looking for.

* (1530)

Mr. Ernst: Well, Mr. Chairman, let me say firstly that the \$800,000 in the Enabling Vote is new money to this department, new money to this initiative. It was never there before and it is going to be spent as follows: 50 percent share of the Aging and Rehab start-up, about \$250,000 out of the \$800,000; business and product development and marketing support, \$410,000; publications, promotion and other administrative costs, \$140,000. So that is where the \$800,000 is going to go in this initiative.

(Mr. Chairman in the Chair.)

Mr. Angus: I guess my concerns were reasonably legitimate when I looked at this and looked at what they are trying to do and said how the heck are they going to be able to do it. That explanation does give me a bit of guidance.

I have no further questions at this particular time on this initiative and turn it over to my friend.

Mr. Chairman: Item 2.(d)(1)—pass; Item 2.(d)(2)—pass. Item 2.(e) Trade—the Member for St. Norbert.

Mr. Angus: Again, I am not sure that this is the area, so I hope the administration and the Minister will bear with me. I am sure that he will go to no ends to point out to me that it is a line that we have already passed and that is when I should have asked that ridiculous question. Trying to keep order is as much of a complication as trying to figure out the budget sometime, Mr. Chairman.

My question concerns, however, duplications of efforts. Yesterday, I saw an ad in the paper by the Honourable Minister, "Manitoba Industry, Trade and Tourism, J. Ernst, Minister." In it, it was suggested that there were a number of courses and seminars that will teach businesspeople how to succeed, things like "How to Start a Small Business" and "Marketing on a Limited Budget," things of that nature.

Mr. Chairman, it seems to me that these types of programs are duplicated in the community colleges, in the schools, in the night school programs, by private enterprise, by the Chamber of Commerce, by other groups that are interested in trying to help their members put these on. So I would like to, first of all, address the question from a philosophical standpoint as to whether or not the Minister sees any duplication and redundancy; and secondly, find out how much money is invested in this particular project, whether or not they actually break even in terms of paying for themselves or not. Perhaps we can just get some general information on it. Thank you.

Mr. Ernst: Mr. Chairman, you are back. Every time I look up, we have a new Chairman.

Mr. Chairman, I am pleased to respond to the Member for St. Norbert (Mr. Angus). For some time, I am advised that the needs of the small business community were not always being met in terms of the educational programs run by either community colleges, night school, public school night classes and things of that nature. The Business Resource Centre was designed

to either supplement activity elsewhere in the education system and to coordinate programs meeting certain needs from the business community.

I suppose, in the overall scheme of things, there may well be some duplication here and there and that will alter as time goes on and, from time to time as needs are changing, will be changed as well. But the Business Resource Centre responds to a variety of areas, the Continuing Education departments of universities and colleges. We have really in that area included distribution of training materials which are paid for by the schools and/or referral of instructors, people who are technically capable of handling instructions of those kinds of classes. We co-sponsored the delivery of seminars with the private sector, Mr. Chairman. We included registrations and collection of cheques. Basically the major portion of our cost is the advertising program, making people aware that these activities are available, that they are open to people who want to find out about how to start a small business or how to assist them in operating their small business and so on.

We also facilitate seminars and requests from organizations in the business community. For instance, the Women Business Owners of Manitoba had requested a seminar, and that seminar was assisted by the department. When the Canada Packers plant closed, a number of their employees wanted to look at the potential entrepreneur opportunities. They were not aware of what opportunities were available to them necessarily, or at least certainly the wide variety of opportunities, so that was carried out by this department as well.

We also provide assistance in the form of administrative support. If they want to start a seminar, we will provide some of the assistance of typing or whatever is necessary to help them get that off the ground, and referral of speakers for their operations as well.

The Small Business Management Certificate Program ran by the Red River Community College, in conjunction with the Business Resource Centre, is going to be recognized by the business community where they have to complete eight 30-hour business courses to receive a certificate signed by both the Department of Education and the Department of Industry, Trade and Tourism.

I guess the bottom line of the whole thing is, what did it cost, \$29,000 approximately. It generated revenues of \$15,000 and provided training for 2,331 businesspeople. So if you divide \$14,000 by 2,331, I guess it is about \$700 (sic) each.

Mr. Angus: I see that is on page 44 of the small book, Business Resource Centres, and perhaps I will just save any questions in relation to that until that comes up.

By the way, Mr. Chairman, I would just suggest to the Minister that I am very supportive of Governments helping to fill voids where the private sector does not, at least until the private sector opens their eyes and sees that there is an opportunity for them to pick up the initiative. Then I believe strongly that the Government should back out and not become competitive.

Moving back to -(Interjection)- no, no, no, thank you, thank you. We are working it in reverse. We are trying to just lay the groundwork so that you people can come over here. We all believe in helping people. The Honourable Leader of the New Democratic Party does not believe in letting the people decide. We have noticed that before.

Moving to the appropriations in relation to Trade and services, this is the initiative that I believe is going to sponsor the Ottawa office, and where you are going to be setting up the staff to be in Ottawa. I was wondering if the Minister can earmark out for us the specific costs on the Ottawa office, and perhaps the specific results in relation to the total budget of \$1.6 million. While the Minister is getting that together, perhaps he can give us an overview of how he expects the Ottawa office to perform and how he is going to measure their productivity and that type of thing.

* (1540)

Mr. Ernst: If I can address the question of the Ottawa office first, \$200,000 has been budgeted this fiscal year for the operation of the office. The office is not open and it is not staffed yet. We are in the process of arranging that.

The intent of the Ottawa office is, firstly, to ensure that Manitoba gets its share of federal procurement dollars. While it is very nice for Ministers and Deputy Ministers and other officials to travel back and forth to Ottawa to meet with mandarins in that city on an infrequent basis, it is not always the best way to do it. We are going to try the office and see how it works, but we think providing an Ottawa office with a resident person there who meets with those people on a regular basis, Supply and Services of Canada, we will see better opportunities for Manitoba companies coming out of the federal procurement dollars.

We think that, by providing that office there, we will be able to meet with these people on a regular basis and be able to keep a close eye not just on the big contracts, not just on the economic spinoff benefits from certain other types of contracts, but on the regular daily, nitty-gritty type of Government purchasing from pencils to erasers to you name it. We think, by having somebody present in Ottawa and keeping an eye on all of those Government procurement opportunities that come out and meeting with them on a regular basis, we will be able to identify for them Manitoba suppliers and producers that will be able to assist or be able to fulfill those needs, and be able to convince them from time to time that they ought to be sending more business to western Canada, specifically Manitoba.

In addition to that, we have in Ottawa resident most of the major national umbrella groups or corporations for a whole variety of industries in our country. We think that, from the tourism and convention point of view, if we have a resident person there in Ottawa, they can make regular sales calls on those organizations to make sure that, in dealing with their annual conventions, their sales meetings, their other kinds of activities that require them to locate in a variety of places across Canada, we will be able to prime the pump, shall we say, a little

bit in that regard, and to see that perhaps some more convention business will come to Winnipeg. The department deals not only with Industry and Trade but it also deals with Tourism, so that we see another opportunity there for that office to meet with these organizations and to try and secure a little more convention activity for Manitoba.

Mr. Angus: This is another initiative that I will be monitoring because I am pleased to see an aggressive approach in terms of attempting to get business and make people aware of the Manitoba situation. However, it does not appear that you have budgeted any salaries, at least not up in terms of salaries, and that may be a technicality that I am just not totally aware of in terms of how that works.

Mr. Ernst: I appreciate that this is for the fiscal period ending March 31, 1989. The office is not yet open. There is no SY associated. This will be a contract employee. The money, therefore, is included in the \$200,000.00. So by the time we get the office open and somebody in it and operating, it may be the 1st of November, in which case there will be just that balance of the fiscal year period.

Mr. Angus: So the \$200,000 is equipment and contract labour, I presume some form of a Manitoba consultant or lobbyist, and maybe secretarial staff and that sort of thing. If it works, then it would become sort of a location of the department. Okay, thank you. I have no further questions at this time in this area.

Mr. John Plohman (Dauphin): First of all, I would like to just before we get into further discussion of the trade issue, ask the Minister just insofar as the line-by-line differences in the budget from last year, can the Minister indicate the reason for the rather substantial increase in the supplies and services area of this section of the budget, from \$421,000 to \$549,000.00?

Mr. Ernst: The amount is just a little under \$200,000.00. That is the \$200,000 that will go toward the Ottawa office.

Mr. Plohman: I would assume then that the other operating, which has more than doubled, is also to support that office?

Mr. Ernst: Yes.

Mr. Plohman: I want to just comment, first of all, on the information that the Minister has tabled in the House this afternoon. That information is a number of studies that he purports to be the Government's answer to the questions on what analysis the Government has done as to the impact of the trade agreement on a number of sectors. Then he outlined where the Government feels there will be positive impacts, negative impacts and neutral impacts in various areas.

I would ask the Minister, first of all, on these studies—most of them done by advocates of the trade deal, by jurisdictions who are advocates, certainly British Columbia, Saskatchewan, he mentioned the Canada

West Foundation and so on—whether these studies then are interpreted by this Government as being objective studies that he has faith in, and that he feels represent accurately the impact that the Free Trade Agreement will have on Manitoba firms, on sectors.

Mr. Ernst: Mr. Chairman, presumably the Governments of other provinces have some understanding of the operations in their provinces, have some understanding of the Free Trade Agreement and how it will affect both their province and the overall effect on the country. The Government of B.C. is a Social Credit Government; the Government of Alberta is a Conservative Government; the Government of Saskatchewan is a Conservative Government; the Government of Quebec is a Liberal Government. Let me say this, that those people, of their own accord, without any influence by this Government certainly, have come to the conclusion that the Free Trade Agreement, generally speaking, is good for Canada and good for their provinces. They have come to that independent analysis on their own.

Now the Members opposite in the New Democratic Party say that they are all—the Member for Dauphin (Mr. Plohman) that they are all pro free trade. They have come to that conclusion, but they have analyzed what the effect is going to be on their province. They have come to the conclusion that it is good for their province, and therefore they support the Free Trade Agreement.

Mr. Chairman, the previous Government of the NDP, without very much analysis came to the conclusion that it was going to be bad for Manitoba and bad for the country and took a philosophical position against it. They directed their staff members at that time, Mr. Bob Adams, of the Department of Industry and Trade, had gone out on the road with the Government to support their position. If they want to take that attitude, if they want to take a philosophical position that does not recognize the facts, does not recognize what Manitoba industries can benefit and so on, then that is their opportunity and that is their right. They were the Government; they went on the road with that and the people of Manitoba decided ultimately who should be the Government of Manitoba and who should not. That decision was made on April 26.

* (1550)

Mr. Plohman: I find some of the remarks of the Minister quite incredible. I really do not know that the people of Manitoba decided on the basis of the Free Trade Agreement who was going to be the Government of Manitoba. I do not think there is a clear indication even in this House, and the Member got an indication of that today when one of his backbenchers crossed the floor that there is not very much security over there.

So I do not think he should feel that he has any mandate to take any position on free trade or interpret it as being anything that would indicate support by the people of Manitoba for the position that this Minister is taking on free trade.

But I would indicate to the Minister that my assumption would be that rather than these

Governments coming to the conclusion after they did the analysis that they were in favour of free trade, they came to the conclusion that they were in favour of free trade before they did the analysis. Then they did the analysis.- (Interjection)- Well, now the Minister has admitted that, implied that he agrees with that, when he says—just as you did—well, when we were in Government.

Yes, we had concerns about the agreement and we did an analysis and those concerns were borne out. Now is the Member saying that these other Governments did not come to those conclusions before they did the analysis? Is that what he is saying? - (Interjection)- Mr. Chairman, I would like to know if the Minister feels that these studies were objective studies and that he relies on those as being his source of expertise on this issue.

He said that other Governments presumably had expertise when they did these studies and that they are good studies that he can rely on. Will he reinforce that insofar as his position? Does he feel that this is sufficient information for this Government to make decisions and to take a position on the Free Trade Agreement in Manitoba, as it affects Manitoba?

Mr. Ernst: As I indicated earlier, presumably the Governments of those other provinces analyzed the Free Trade Agreement, analyzed their economy, and then decided one way or another that it was going to be good or bad for their province and in what sectors and so on. That, I think, any reasonable person would assume.

The question of the Member for Dauphin (Mr. Plohman) suggesting that they took a philosophical position beforehand and then went out to somehow try to gerrymander the results, I do not think is true. I think that is an incredible assertion that four provincial Governments across the country somehow would gerrymander something to suit something that has relatively no political benefit for them unless it is going to benefit their province.

They have made the decision that it is going to benefit their province and they have had the fortitude to put forward that information in these information booklets to tell people in their province and others who wish to read them that they are supportive, generally, of the Free Trade Agreement and they see that there are a great many benefits to industries in their provinces.

Mr. Plohman: So has the federal Government put out a lot of propaganda on the Free Trade Agreement, some \$26 million worth of taxpayers' money to promote their position. A number of these other provinces have taken the same position. I ask this Minister, what analysis he had done, his Government had done, to substantiate his position on free trade and on the various sectors affected by free trade? What analysis has he done? Who is his advisor?

You know, the First Minister (Mr. Filmon) indicated he had not read the agreement, so he said that he relied on his staff, his experts. Who is this Minister relying on to provide him with this information? Who

are his advisors? Or is it just simply the studies done by other provinces?

Mr. Ernst: The whole question of free trade is one that has been raging over the country for a year and a half or two years, but let us take a look for a minute at what the Free Trade Agreement means in the overall scheme of things. I think it is important that we talk about some of the basic underlying tenets of the Free Trade Agreement and what it means to Manitobans and Canadians.

Let us talk now about the economy of the United States of America, which is our neighbour to the south, to whom we trade about 70 percent or 80 percent of our exports. You have a country that has now an imbalance of trade payments. We have a situation where we had a serious stock market crash, or certainly an adjustment, if you wanted to call it that. Why did that occur? Because the U.S. balance of trade was significantly out of kilter and their deficit was very, very high. We have to consider now, what does that mean in terms of global trading?

The economy of the United States is still relatively buoyant, but the expectations are that that economy will start to slide somewhat as well. If that occurs, Mr. Chairman, you are going to see protective trade barriers thrown up around the United States faster than you can shake a stick. The U.S. Government is not going to allow their industries to decline because of increased imports from other countries, particularly Japan.

They are faced with a major problem in the automotive industry, a major problem in the electronics industry, a major problem in the computer industry, with the result that the Japanese are out competing and are flooding their markets in the United States with products that are competing at a much more favourable advantage than those produced locally.

If you think that any Government would not start to throw up trade barriers to try and protect their industries when all of a sudden they start to decline, I think it defies the areas of logic.

If the United States Government decides to throw up trade barriers, those trade barriers will be to all comers. They will not say for all Japanese imports, or are going to say you are going to have a 15 percent or 20 percent or 25 percent tariff or other other countervail. What you are going to see is a trade barrier against all comers, so it will be Germans, it will be Canadians, it will be Mexican, it will be South American, it will be Japanese, it will be Chinese. It will be from all over the world.

If we are on the outside of that trade barrier, we are not going to get an opportunity to get into that market and our companies—just as an indication, Manitoba's second large commodity export area is computer products, after food. Computer products. We provide the United States—and most of that goes to the United States, so that we have a significant problem if we are not aligned somewhere with the United States. We need to be inside the protectionist barriers that will get thrown up, not outside looking in.

Another fact of life that we have to talk about, I think, an underlying tenet of the Free Trade Agreement, is

the question of what happens in terms of GATT? We have had other people say GATT is the answer, that the General Agreement on Tariffs and Trade will be able to allow us to work down those trade barriers over time, on a sectoral basis or otherwise, and that we will ultimately then gain benefits for Canada. That, up to this point, has worked. About 75 percent of the trade barriers between Canada and the United States have been reduced as a result of negotiations in GATT over about a 35-year period.

But the world economy is changing, changing very, very rapidly. We do not have the customers any more we had for our grain. Many of those customers now are self-sufficient in their production of their own food, so that we are not going to have those markets any more.

Why, for instance, are we exporting canola from Manitoba and Canada as a raw product and not exporting processed oil to the Japanese market? Because the Japanese say no. They will not let us do that. The Japanese have thrown up barriers to say that we will take your raw product but we will not take processed oil from that canola seed.

So, Mr Chairman, we have to look at who the major players are in the world economy related to GATT. The facts of life are that the United States, the European Common Market, and Japan go into a room and when they come out, they tell everybody else what the tariffs and rates are going to be across this world—nobody else. They are the major players. If we are not aligned with one of those major players, we are not going to have any say. We are going to be told what we are going to do. We are going to have to like it because we do not have an opportunity to deal with that.

With those underlying tenets, I think we have to look at what the Free Trade Agreement means. I think if the Members opposite would stop for a minute and think, get out of their ideological bent for a moment, and think about what the realities of trade mean to this country, this country was built on trade. This country exists today with the kind of standard of living we have if we did not have trade. We must have secure access to those markets, the primary markets. We must have a right to negotiate in a structured basis with the United States or a major export market. We must have an opportunity to negotiate agreements with them on a fair and reasonable basis.

We do not have that agreement now. If they decide to close the door, like they did on shakes and shingles or softwood lumber, they close the door and that is it. We have no say in the matter other than trying to run down to Washington and try and say to the Americans, our hat in hand, let us try and negotiate something. With a proper dispute settlement mechanism, we will have an opportunity.

An Honourable Member: It is not there.

Mr. Ernst: It is there.

The other thing I think we need to stop and think about for a minute, we have to stop and think about the question of what happens if we do not sign the

Free Trade Agreement? The United States Congress has passed the agreement. The United States Senate is in the process of passing that agreement. And we are going to say to our major export market, no, no, we do not think we are going to sign the agreement guys, we want to renegotiate. You know what is going to happen? They are going to laugh in our face, is exactly what is going to happen. They are going to say to us, you cannot negotiate, you cannot make up your own mind, you cannot understand what you want to do, so take off. Their opportunities, in terms of their benefits from us, are about 10 percent of the benefits that we will gain from them in terms of a Free Trade Agreement. So we have to understand the underlying tenets of that agreement; the underlying rationale. I ask Honourable Members Opposite to stop and think about the kind of reactions that are going to occur if we do not get involved in a Free Trade Agreement.

Mr. Plozman: As expected, the Minister has lapsed back into generalities and ideology in debating this issue as opposed to dealing with specifics because that is what really has to be done when we are dealing with this issue.

The Minister is saying that protective barriers will be thrown up by the U.S. Well, they are already being thrown up. The fact is that they have been escalating, accelerating this process over the last number of years during the discussions to tighten the screws a little bit on Canada and its negotiators. Mr. Mulroney has certainly fallen into that trap. As a matter of fact, the Minister has just admitted in his final statement that the real reason we have to sign this agreement is because, boy, if we do not, there is a big stick there and that we are intimidated into signing this. Mr. Mulroney has Canada into such a pickle right now, into such a corner, that we are now supposed to bail him out by signing this thing. Well, the fact is, the Americans know very well that there is a political process in this country too. They know very well that is a very possible outcome, that indeed an election may take place and that agreement will not be endorsed. They have to live with it and they know they will have to live with it. I think we have got ourselves boxed in over the last number of years as they tighten the screws.

* (1600)

Let us look at some specific issues. The Minister has acknowledged here that he has not had any experts or advisers who have given him this advice on his position on free trade. Basically, it is an ideology that the Conservatives are following, along with their other counterparts in many areas of the country. They have made up their minds beforehand that they were in favour and it does not matter what kind of evidence and concerns are raised on specific areas. They do not care about that, they are not going to listen to those things.

Well, let us look at some of it then. I want to ask, first of all, the Minister's position or the information that he has, any analysis that he has, on foreign investment in this country, whether he thinks the threshold increase for scrutiny by Canadians, by the Canadian Government from \$5 million to \$150 million is a good thing for Canada, whether he agrees that is

not going to be harmful to Canada, what his analysis says about that.

Mr. Ernst: Mr. Chairman, I thought that we had a Department of Industry, Trade and Technology or Tourism, whatever you want to call it now, to promote investment in Manitoba. I thought we had a department—and I am somewhat surprised. The previous Government, in fact, set up offices in Hong Kong and in Rotterdam in order to attract foreign investment in Manitoba, but they wanted investment to come to Manitoba. They wanted investment to come here and create the jobs that are necessary for the people of Manitoba.

Our Government subscribes to the fact that investment from outside the province needs to come here. Quite frankly, we do not care whether it comes from Europe or it comes from Asia or it comes from the United States of America. We think investment is important for Manitoba to develop our opportunities here and to create jobs for Manitobans.

Mr. Plohman: We are getting to the crux of the issue here. The Minister is indicating that he wants to increase foreign investment to create jobs in Manitoba. I ask the Minister whether he thinks that increased investment in Canada by takeovers of Canadian companies by foreign investors will be good for Canada and will lead to greater job creation than if that had not occurred.

Mr. Ernst: Mr. Chairman, I think what we need to do is ask the people of this country whether job creation by private investment, whether it be foreign or local, or job creation by Government debt is the opportunity that they are looking for. In terms of job creation, we have had a Government who created jobs by creation of debt. By and large, those jobs were short term and have since gone, and we have still got the debt that we have to pay off, you and me and the rest of the people of Manitoba still have to pay off. That was the philosophy that the previous Government had and that was the philosophy that did not work. We are left with a massive huge debt that is eroding our abilities to pay for the social safety net that we enjoy, to pay for health care, to pay for community services. That is the philosophy of the previous Government and it did not work.

Quite frankly, I think what we need to see is long-term job benefits, long-term solid companies here providing jobs for Manitobans. If that investment comes from the United States, I do not care. I think it is important that we get investment in Manitoba to create those long-term jobs, and I think most Manitobans would prefer to see that investment take place in Manitoba so that they can have those long-term jobs.

Mr. Plohman: Mr. Chairman, we are getting a bunch more rhetoric about public and private investment, as opposed to dealing with the issue. The question is this: will takeovers of Canadian companies be accelerated because of this removal of the barrier in increasing the threshold to \$150 million? In that case, will that lead to more job creation than if small- and medium-sized businesses were involved in that job creation?

Mr. Ernst: Would he prefer that Manitoba companies be purchased by Asian dollars, Hong Kong entrepreneurs? Would he prefer that they be purchased by German investors wishing to relocate to Canada and invest their money, or would he prefer somehow that those are preferable to someone from the United States wishing to come in here and invest their money and create those jobs?

Mr. Chairman, it is the jobs that are important. It is the stability of those companies that are important. We see that opportunity of investment coming to Manitoba as creating those long-term jobs not only without any cost to the taxpayers of Manitoba but with a benefit that those companies that will come here will create corporate tax revenues, will create jobs from which will be generated personal tax revenues. If Manitobans are working, Mr. Chairman, and they have those opportunities by that foreign investment, then fine. I do not think we need to shut our doors and expect everything to happen internally because, first of all, the Government cannot afford to do it. Secondly, under the tax regime implemented by the previous Government, the people cannot afford to do it.

Mr. Plohman: Mr. Chairman, is this Minister saying that the takeover of Canadian companies by large foreign investors is going to create jobs in this country at a greater rate than those businesses would create on their own?

Mr. Angus: On a point of order, could you advise me what line in the budget we are actually discussing at this particular time?

Mr. Chairman: The Member does not have a point of order, but we are on Item 2.(e).

Mr. Plohman: Yes, we are dealing with trade, Mr. Chairman, and again the Member for St. Norbert (Mr. Angus) is trying to hot-dog his way through these Estimates. Quite frankly, we are not going to be bullied into moving forward with these Estimates any faster than it takes to get the job done.

Mr. Jim Carr (Fort Rouge): On a point of order.

Mr. Plohman: And the Minister

Mr. Chairman: Order, please. The Honourable Member for Fort Rouge, on a point of order?

Some Honourable Members: Oh, oh!

Mr. Carr: Mr. Chairman, I would like an interpretation as to the parliamentary nature of the accusations. He has called the Member for St. Norbert (Mr. Angus) a hot dog, and I would ask him to withdraw and apologize.

Mr. Chairman: The Honourable Member for Dauphin, to the point of order.

Mr. Plohman: No, I would like to continue, Mr. Chairman.

Mr. Chairman: Order, please. The word used by the Honourable Member for Dauphin (Mr. Plohman) is not

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unparliamentary, but I would caution all Members to

An Honourable Member: But it is in poor taste is what you are saying.

Some Honourable Members: Oh, oh!

Mr. Chairman: Order, please. But I would caution Members in their phraseology.

Mr. Plohma: I would like to proceed. I have taken from the Minister, the information that he has given us and his opinions, that he feels that foreign investment by whomever or wherever it may come from is going to be a great creator of jobs in this province. It is going to be good for this country even if it is takeovers or whatever form it may take. The takeover of Canadian and Manitoba companies is going to create a lot of jobs.

* (1610)

I would ask this Minister, since he is relying on outside sources for his advice and for his expertise—he has relied on a number of, as I indicated, advocates of the Free Trade Agreement and my colleagues will have more discussion on those issues in a few moments—has he also read and made himself aware of the issues that have been put forward by the Business Council for Fair Trade in Canada, and has he also been aware of their report on foreign investment and how beneficial it is for Canada?

Mr. Ernst: I find the Member from Dauphin's (Mr. Plohma) comments somewhat ludicrous. Let me ask him another question in response to—let me ask him and his colleagues if the takeover of Flyer Industries by den Oudsten of the Netherlands did not create jobs in Manitoba.

Some Honourable Members: Oh, oh!

Mr. Chairman: Order, please.

Mr. Plohma: The Business Council for Fair Trade has provided information based on Statistics Canada indicating that during the seven-year period, from 1978 to 1985, there was an overall net growth of 849,000 jobs, entirely attributable to Canadian-owned firms, whose employment increased by 872,300 jobs. Employment by U.S. subsidiaries declined by 800,900 jobs while other foreign firms reduced employment by 14,400 jobs in Canada during that same period of time. In other words, it was Canadian-owned firms who created the jobs, many of them small and medium. As a matter of fact, the vast majority of those firms were in the small category where there was an expansion in jobs. Small firms produced a remarkable increase of 845,400 jobs or 99 percent of the overall growth between 1978 and 1985. Medium firms produced a net growth of 49,600 jobs and large firms suffered a net loss of 46,000 jobs.

I ask him, in light of that information, obviously the Minister was not aware of that kind of information,

does he still feel that foreign investment is going to result in widespread expansion of jobs and creation of jobs in this province?

Mr. Ernst: A little bit of information sometimes creates more problems that it does not, and in the case of the Member from Dauphin (Mr. Plohma), that is exactly the case. A little bit of information has clouded his thinking. Let me offer something that maybe the Member from Dauphin had not thought about.

The fact of the matter is that as tariff barriers reduce, the operation of small, inefficient manufacturing and other types of facilities in adjacent countries is not necessary. So what happens is, tariff barriers fall and goods can be shipped back and forth across the border without any penalty. So what happens is the Americans stay home, and shut down their smaller inefficient plants in Canada, and Canadians do not have to set up small inefficient plants in the United States. So they can expand their operations in Canada, at home, and the Americans can do the same. There will be cross-border investment, certainly, but I do not think anywhere near the kind of horror stories that are predicted by the Member from Dauphin (Mr. Plohma).

But we see those kinds of opportunities coming forward, so the Canadian manufacturers can expand jobs in this country, can create employment activity in this country by shipping to the United States, and vice versa.

I do not think that we need to concern ourselves too much that (a) there is going to be major takeovers of Canadian business by large American firms, and I do not think that we need concern ourselves very much more that Canadian business cannot compete because Canadian business can compete. The Canadian worker is every bit as good, if not better, than the American worker, that our entrepreneurs here, and our business people have every bit as much knowledge and understanding of how the business world works, and they are able to compete. They will compete, and I think the fear mongering that goes on from time to time with regard to the Free Trade Agreement needs to be stopped. We need to look ahead and we need to take advantage of opportunities that are presented to us.

Mr. Plohma: Why should we in this House, on this side of this House, accept this Minister's calming tones and his head-in-the-sand approach to this Free Trade Agreement? Why should we feel comfortable to this trade deal? Why should we feel comfortable with his assurances that he does not think there is going to be any large scale takeover of companies?

The fact is, the threshold is moving from 5 million to 150 million. That means a vast majority of those companies in Manitoba, as a matter of fact, all but six could be taken over without any requirements for job creation or investment in this country other than taking over that company, no guarantee of jobs. This is borne out, not fear mongering on my part or any of my colleagues' parts or creation of figures, but Statistics Canada figures based on the last seven years, which indicates that job creation does not result from foreign

investment and foreign takeover. It is Canadian-owned firms that create the jobs and generate the expansion in our economy. That is borne out as well when you look at the jobs per \$1 million of investment in this country by American firms. You can look in many different areas.

The food, the feed, beverages and tobacco area, General Mills of Canada, for every \$1 million of sales in Canada, General Mills, not of Canada, of the U.S., creates eight jobs in the U.S. and only 5.9 in Canada for every \$1 million of sales in Canada. The jobs are created in the U.S. It is the same with Ralston Purina, with H.J. Heinz, with Campbell Soup, Dow Chemical, Allied Chemical and many, many others, including the computer firms that the Member talked about earlier, IBM, Burroughs, Digital Equipment. By far and away the major investment takes place in the U.S., in terms of jobs. Even though the sales are taking place in Canada, the jobs are taking place in the United States. So where does this Minister get his figures to indicate that that takeover is going to be good for jobs in our province?

Mr. Ernst: Mr. Chairman, the suggestion by the Member for Dauphin (Mr. Plohman) that there is going to be wholesale takeover of Canadian industry has not been borne out over the historic relationship between Canada and the United States. The Free Trade Agreement will not particularly encourage takeovers by American companies at all. I think our industries that are here are reasonably safe, that as long as they remain competitive, and that is a condition, there is no question about that, but that is the basis of the market economy that we live in, you have to be competitive.

So I do not think he needs to be all that concerned. But let me say one other thing, that over the past four months since I have become the Minister of Industry and Trade, I have had delegations to my office. I have had letters from people, from companies outside of Canada, outside of North America, who wish to come to Canada to invest, who wish to explore opportunities to set up plants in Canada so that they may take advantage of the Free Trade Agreement, that they will wish to come to Canada, make that investment, set up new industries so they can ship into the U.S. market under the Free Trade Agreement.

I have had a visit from the Trade Ambassador from Australia, for instance, who has indicated to me that a number of people, a number of companies in Australia would prefer to gain access to the North American market, but would prefer to do it from Canada because they feel comfortable with language, with custom, with a number of things that are Commonwealth-related, mother-country related. That is important. We see more and more of that kind of activity coming as a result of the Free Trade Agreement reaching closer and closer to fruition.

* (1620)

Those interests are not necessarily going to come here if there is a tariff barrier thrown up. If imports from Canada, regardless of whether they are produced by an Australian company or German company or a

Russian company, or one from the Netherlands, they are not going to come and invest in Canada and create jobs for our people, create income for our Governments, if in fact there is no opportunity to trade into the United States through that Free Trade Agreement.

So I think we have an opportunity here, an opportunity that we need to proceed with, an opportunity we need to take advantage of.

Mr. Angus: Once again, I find that we are not arguing the line specifics in the budget items, but we are platforming. While I have many, many questions and respect the questions that my Honourable friends are asking in relation to free trade, I find that we are not making any progress in terms of making the budget a more effective document.

However, questions do lead to questions and I would like to ask the Minister some specific questions. Given that we are talking about Manitoba's exports, can the administration tell me what the dollar figure is of exports to the United States from Manitoba firms versus perhaps the export interprovincially, and/or offshore to other foreign countries. What sort of terms of dollars of our economy actually do go into United States? That is the first question.

The second question is this: is there any concern in relation to the free trade arrangement and the protectionism legislation in terms of the 50 percent product rule, in that if we are to be buying cloth and ballbearings and/or anything else from offshore countries like Japan, or like any of the oriental countries, or any other country for that matter, bringing them in and putting them together in our manufacturing process, we may in fact be restricted from shipping those goods into the United States. It seems to me that we may be closing the parameters of our opportunities to do business by restricting the development of legitimate businesses and legitimate negotiations with other trading partners.

So there are two questions right there, and then I have another one.

Mr. Ernst: With regard to the production figures, we exported \$2.9 billion worth of goods in 1987 and \$1.5 billion of that \$2.9 billion went to the United States of America—over half.

With respect to the question of content, the general rule in terms of trade across the world is that the majority of a finished product needs to be produced in that country before it can be considered as goods of that country. That protects Canadians as well as other countries in terms of their trade. It does not make much sense for somebody to manufacture a widget in Mexico, ship it into the United States for a coat of paint, and then ship it to Canada as an American-produced product. So the general rule—there are specific rules in specific industries—but by and large the general rule is more than 50 percent production in that country.

Mr. Angus: I appreciate that, Mr. Chairman. I am wondering if the answer does not indicate some form

of biting off your nose to spite your face in that if you are buying products from the trading partners that we have been talking about, I guess we would have to bring in those products into Canada to assemble them, will we not be restricting our ability to sell them into the United States given the 50 percent rule? Perhaps the administration could just comment on that.

Mr. Ernst: I suppose in the overall scheme of things, they are no worse off then they are now. They have tariff now that they have to deal with. If under the Free Trade Agreement they can find that tariff is reduced and/or eliminated, they will be better off.

Also, I think when you look at the overall context of what goes into, particularly, fashions that are produced in Manitoba—I think maybe the Member is trying to get at some of that area—the cost of the material in the overall price of a fashion garment is relatively small in the overall scheme of things. The design, the overhead, the advertising and a number of other costs, which are all Canadian in content, by and large, form the majority of the cost. I think we need not overly concern ourselves in that area either.

While I am on my feet I do have some additional information. I informed the Member for Dauphin (Mr. Plohman) that I would provide it as quickly as I could.

An Honourable Member: And this is quick.

Mr. Ernst: And this is quick, exactly. The Venture Capital distribution dollar amounts: \$1.4 million in rural Manitoba; \$4.9 million in Winnipeg in rough figures.

Mr. Angus: Given the fact that Manitoba is not known as a manufacturing centre and does not have the type of economy that is driven by the types of—(Interjection)—Mr. Chairman, given that Manitoba does not have the type of industrial manufacturing component of the heavily industrialized areas like southern Ontario and the Hamilton region and/or the New England States, those types of things, given that we are an assembly organization and usually import the products that are being manufactured and a lot of those products are imported from offshore, I think that we are going to have difficulty with the 50 percent content rule of the product in the Free Trade Agreement.

However, as I said before, that is not part of this budget. That whole scenario is going to be solved on another plane, by another level. At that level, I would hope that the Minister would tell us how we are going to compete with climatic conditions that just do not exist. How we are going to compete with wages that just are not comparable? How we are going to compete with a number of other areas with the people from the South? We are going to find ourselves as Canadians, as Manitobans, at the far end of a distribution cycle that goes north and south, not in the middle of an east-west type of economy. I think that it is going to be devastating.

Getting into the specifics of this particular line-by-line approach on the budget, I would be pleased if we could pass it and get on to other areas of the total budget for the department and the Government.

Mr. Chairman: Shall item 2.(e) pass? Pass. The Honourable Minister.

Mr. Ernst: I just wanted to mention two things for the Member for St. Norbert (Mr. Angus). First of all, if the Member for St. Norbert—and I am not sure whether he was ever a member of the board of the Winnipeg Business Development Corporation or not when he was on City Council, but if he was a member of that very good corporation, that he would have known that Winnipeg is the second largest secondary manufacturing centre in Canada. He would also be interested in knowing, Mr. Chairman, that there are more people employed in manufacturing in Manitoba than in any other resource combined, that is, in agriculture, mining, you name it. In the primary resource industries there are more people employed in manufacturing in Manitoba than in all of those industries combined.

* (1630)

Mr. Chairman: Item 2.(e) pass? The Honourable Member for Interlake.

Mr. Bill Uruski (Interlake): Mr. Chairman, I am amazed that the Minister of Industry, Trade and Tourism, in all his rhetoric in the last couple of days comes to this Assembly and says here is Manitoba's analysis on free trade. A one-page document. A one-page document that says: "Comment on Manitoba's horticultural industry under free trade." Is that the nature of his administration's analysis of the Free Trade Agreement on Manitoba industry? I believe he made some comments earlier about the rest of agriculture. Are there other Manitoba analyses that have been done on sectoral development, or is this the nature of the analysis of the Free Trade Agreement on Manitoba industry?

Mr. Ernst: Mr. Chairman, yesterday when we discussed the question of impacts, the Member for Interlake raised the question of the horticultural sector of the economy. I provided a note from our department giving him the analysis in a nutshell of the impacts of the Free Trade Agreement on that sector industry. That is what he asked for; that is what I provided.

Mr. Uruski: Is that all the information—this was done, obviously, in five minutes. Anyone in the department who has the generalities of the industry would have done that in five minutes. Anyone of those would have dictated that memo in two minutes. Is that the nature of the analysis that the Minister is providing for Members of this committee on this sector that we talked about? We said we were going to talk about all the other sectors in agriculture on the specifics. Are there other analyses or are they going to be done in the manner that the Minister has provided? Is that the cavalier attitude of this Minister to this committee on the information that he is providing?

Mr. Ernst: Mr. Chairman, would the Member for Interlake have preferred a 200-, 300- or 400-page document to be provided for him to read in a short

period of time, for him to try and understand—and I am not sure that is possible—or would he prefer a synopsis prepared by the department that gives the nuts and bolts of the situation? That is what I have provided in an attempt not to be cavalier, but to assist Members in the Estimates process. The time is not available in a short arrangement between time of tabling and time of asking questions for a great detailed situation. I am trying to be of assistance to the Members opposite, I am not trying to be cavalier in the least.

Mr. Uruski: Mr. Chairman, some assistance that this Minister is trying to be. Quite frankly, I asked him yesterday, and I indicated to him that we would be dealing with other sectors within the agricultural trade component, specifically. This is what he brought me. I am now asking the Minister, are there any other Manitoba analyses, whether it be on agriculture, any additional analyses that the department has prepared raising specific issues with the sector, whether it be agriculture, whether it be manufacturing, that the department has in terms of its view of the impacts of the Free Trade Agreement? I mean he brought us volumes of information, and I want to even deal with some of those that indicated those Governments presumed that the trade is good for them. Even in the agricultural area, I just picked up the Saskatchewan one that he gave me, and the Saskatchewan one raises very serious concerns vis-à-vis the grains industry. If you only had read it, you would have recognized the concerns that they raised in the Saskatchewan document about the loss of the two-price system of wheat, \$227 million of income to prairie grain farmers. That was the loss on the two-price system of wheat.

The fact of the matter is that the federal Government is going to provide that support for one year only. They have not indicated that there will be an ongoing support of the loss of the two-price system. We have not heard anything from the Minister. What is the analysis in that whole area? Did the Government raise any concerns in that area? What are those studies? Where are they? Let us have them. What are you hiding?

Hon. Glen Findlay (Minister of Agriculture): Mr. Chairman, the Member for Interlake (Mr. Uruski) well knows that the two-price wheat system was not working and doing the job it was intended to when it was first brought in. He knows full well that Ontario was taking considerable advantage of that and then buying seed Katepwa wheat particularly from Manitoba and taking it down there and increasing the acreage at a tremendous extent, and selling the wheat at the higher level to the mills in Ontario, in other words, in eastern Canada. So the two-price wheat system was being defeated right within our own country and the western producers were not getting the benefit that was really due to them because of the skewing of the growing of wheat for the milling industry. Farmers have raised that continually over the past two years. The former Minister knows that full well. It is just a red herring to throw this in at this time, because he knows the system was not working.

Mr. Angus: Mr. Chairman, if I just may in effect get some guidance from you or perhaps from a more

experienced Member, the House Leader (Mr. Cowan) for the NDP. I wonder if the general nature of the questions concerning free trade—and as they go from the Minister who is dealing with Industry, Trade and Tourism and revert to another Cabinet Minister in Agriculture—if those questions should not better come up under the agricultural discussion in the budget and the impact on free trade. I am not sure, I am looking at expediency. I know we have a lot of questions on agriculture we would like to ask, and some of them will have to do with free trade. If we are going to be directing our questions through this Minister to half-a-dozen other Ministers, I think we are making a mockery of the whole budgetary process. I would like some guidance, and maybe we can restrict our questions to this department as to how they are going to deal with free trade in their budget and then move into the other areas as they come up.

Mr. Jay Cowan (Churchill): This may be on the point of order. I appreciate the frustration of the Member for St. Norbert (Mr. Angus) and it is as a result of the way in which this process is structured. Any Member in the House has the right and perhaps even the responsibility in some instances to stand in his or her place and answer questions and to make comments which impinge upon their area of responsibility or about issues which they feel strongly about. So that is certainly a right and responsibility.

However, I do make note of the fact that, when we set up the Estimates process in the way in which it is now structured, that is we put a time limit of 240 hours on it, we did have discussions with, at that time, the Opposition House Leader who was a Conservative House Leader who put in place an informal mechanism that assured that the bulk of the time that would be used for Estimates would be utilized by Opposition Members. In other words, there would not be a lot of Members from the Government side standing up and talking in Estimates under a department for which they did not have responsibility.

But it was acknowledged that, from time to time, that is going to happen and, as long as it is kept to a minimum and is done discreetly, it does not violate that earlier informal agreement. If it were to be made a practice or be done at great length, then it would. With those cautionary notes, I can suggest that we are within the realm of what has happened historically in this Chamber in the past, but one should make note of the new circumstances which would tend to confine remarks from Members other than the Minister but not restrict them entirely.

* (1640)

Mr. Chairman: The Member for Fort Garry (Mr. Evans), to the point of order.

Mr. Laurie Evans (Fort Garry): No, not on the point of order.

Mr. Chairman: The Member for Interlake (Mr. Uruski), to the point of order.

Mr. Uruski: I want to continue.

Mr. Chairman: The Member for St. Norbert (Mr. Angus), to the point of order.

Mr. Angus: On the point of order, and again I will be guided by your wisdom, the Honourable House Leader of the NDP (Mr. Cowan) indicated that some form of an informal arrangement in terms of hours, given the total magnitude of the hours, was arrived at. He has indicated and I agree with him that we are not trying to restrict any sort of free discussions. The facts are that we agreed to six hours, and we are now approaching the 20th hour of this discussion. The point of order is that we are not addressing our comments and our remarks to the specific line items of the budget.

Some Honourable Members: Oh, oh!

Mr. Chairman: Order, please; order, please. I would like to thank all Honourable Members for their advice, and this matter in fact is a matter of some consideration. As with every Chairman, the Chairman should be guided by the wish of the committee. I would like to perhaps advise that it may, seeing that I understand that the Estimates of the Department of Agriculture are to follow the Estimates of this department, perhaps that may be an area where the comments dealing with the specifics of the Agriculture Department could perhaps be better directed because the Honourable Minister of Agriculture (Mr. Findlay) will have his staff present. Unless the will of the committee as an entirety would prefer to continue this discussion, then we will carry on in that one.

Mr. Uruski: I want to indicate to my friend, the Member for St. Norbert (Mr. Angus), that we know that, when the Minister of Agriculture (Mr. Findlay) comes up and the whole matter of trade because he has a trade section, I do not expect to be dealing at any great length with matters of the Free Trade Agreement under Agriculture.

The Minister responsible for the trade agreement is now here before us. It happens to be that the Minister of Agriculture (Mr. Findlay) is involved as a Member of Cabinet, and we fully expect that maybe on some technical matters he will get up and he will lambaste or clarify the matters as he feels the need to in this whole area, and so the debate will continue. I think, in terms of hours spent, it will work out over the period of time that we are in.

The Minister of Agriculture (Mr. Findlay) tried to divert this issue again and say that I know that the two-price system of wheat was not good to farmers. Let us get back on track in terms of the Free Trade Agreement. Are there, and the Minister has not answered the question, other studies of the Manitoba Government that have not been tabled in analysis of the agreement and advice to Government, either now or in the past? Are those studies available?

Mr. Ernst: The staff of the Department of Industry, Trade and Tourism are not in the business of producing voluminous studies. Staff of the Department of Industry, Trade and Tourism are constantly reviewing the question of free trade and how it affects the sectors of our economy. They are constantly talking to industries in

our economy, talking to people related to those industries in our economy, talking to economists, talking to people involved in trade negotiations, trade agreements, not only here but elsewhere in the world.

They have 38 linear feet of file space occupied with documentation. They have that information available to them so that, when a question arises dealing with a specific item, as the question arose yesterday, related to that agreement, they can produce a synoptic report that is easily understood and read by most people, although I am not so sure about the Member for Interlake (Mr. Uruski). I said that in an affectionate way, Mr. Chairman.

But I must say that they are not producing voluminous reports constantly. They have a very good understanding of the Free Trade Agreement. They have a great deal of information relating to it, both on a sectoral basis and other bases, and from that they produce on a regular basis or an infrequent basis or however often it is required information relating to specific questions that arise. They can do that on relatively short notice because of the background information that they have.

It is not a question of sitting down and spinning off the top of your head a two-minute dictation agreement into a memo such as the Member for Interlake (Mr. Uruski) referred to. These people are highly educated. They have a very good understanding of the Free Trade Agreement, and they are providing synoptic coverage from time to time as required.

Mr. Uruski: In this whole matter, is this the extent of the analysis that his department has done? I mean, he can brag around and spend—it is, okay. Then can the Minister explain the statement in this one document about the industry in commercial vegetables? "They believe they can compete under free trade." Who is "they"?

Mr. Ernst: As we discussed under the sectoral section of the department, we have a sectoral officer dealing with vegetable growers. That sectoral officer has met with the 15 or 20 major vegetable producers in the province. The "they" there refers to those vegetable growers.

Mr. Uruski: Have the vegetable growers, those 15 or 20 commercial producers who we have in the province, indicated that the snap-back provision is a negative provision, they view it as a negative provision to their industry?

Mr. Ernst: There is nothing negative about the snap-back provision necessarily. It may not be as much as they would have liked. It might have been better. Many things might have been better, but they feel that they are not going to be hurt by the Free Trade Agreement. They feel that they are going to be able to compete in a market on the basis that they have been competing all along. They do not feel they are going to be harmed by the Free Trade Agreement. That is from them. It is not from any analyst; it is not from any bureaucrat; it is not from anybody else, except the people who are

actually producing those products. They are the ones who are going to be impacted and, if they do not think there is going to be a significant impact on the industry and if they think they can compete, I do not know what everybody is getting excited for.

* (1650)

Mr. Uruski: Mr. Chairman, this Minister has come to this committee and continues to use the entire line that anyone who questions specific matters regarding the Free Trade Agreement is somehow against trade. The whole tone of this debate that we have had—and we have tried to ask very specific questions. The Member for Dauphin (Mr. Plohman), the Member for St. Norbert (Mr. Angus), and myself and other Members have raised specific questions. When the Minister does not want to or does not have the information on any area, he will use the philosophical line, you people are against trade. If I do not like to answer the question, you are against trade. That is the whole nature of the Conservative thrust in this debate, that somehow anyone who asks and raises specific questions is somehow supportive or is anti-trade and, if they are anti-trade, they are somehow anti-American.

Mr. Chairman, it is neither of those. We are neither against trade nor against Americans. We are Canadian and we are pro-Canadian. We want a fair deal on behalf of Canadians, and this deal does not provide a fair deal for Canadians. That is the line that the Conservative Party, I guess, that is probably the line why most Canadians and Manitobans, in general, as well are kind of sitting on the fence in this thing because they are not sure. Who can be against more trade? Who is against motherhood? That essentially is what this debate is all about.

Why would we not want to expand trade? Why would we not want to have more industries? Why would we not want to have more jobs? That is in essence what we are all about, to create more jobs. But the whole debate is centred—if one questions some of the negative impact or the possible negative impacts of the debate, what do we get? We get it all twisted around to say, hey, you guys, you are against trade. You do not have any vision, you do not have any foresight. You are opposed to trade. That is the line that the Conservative Party is using. That is the line that this Minister is using.

Mr. Chairman, the Minister of Industry, Trade and Tourism, all those things, indicates that the vegetable industry, why would they not compete? We heard his own colleague indicate that marketing boards and the entire system of marketing has been negative for the expansion of the industry in this country. This trade deal—the Minister has admitted that the snap-back provisions are not the best—basically relegates or could relegate the industry to today's production 20 years from now. Is that the kind of vision and expansionary approach to trade that this Government speaks of, because that effectively is what it says? The snap-back provisions relegate our industry because, in the event that—and no one knows, the Minister admitted.

The economy and the exchange rates come a lot closer. The Americans become much more competitive,

and they have in the vegetable industry certainly. We have had to put in seasonal duties. What will occur? Even though our domestic market over the years may increase, we will be relegated to today's production on the basis of this agreement. No?

Mr. Chairman, the Minister says no. Can he clarify that?

Mr. Ernst: I want to ensure that the Member for Interlake (Mr. Uruski) does not put words in my mouth or statements on the record that are alleged to be facts. The fact of the matter is the vegetable producers will not be limited to any level of production at all. If they increase production over and above the present level, they will lose certain protections under the snap-back provision but they are not limited certainly, Mr. Chairman, in terms of increasing production at all.

And as a matter of fact, I would think that if they do increase production, that somehow they are selling it somewhere. Most people do not increase production unless they are selling it somewhere. And if they are selling it somewhere, Mr. Chairman, they are doing all right financially.

Mr. Uruski: In Article 702 of The Free Trade Act of the Government of Canada dealing with the special provisions for fresh vegetables and fresh fruits and vegetables, it says: "Notwithstanding Article 401 for a period of 20 years from the entry into force of this Agreement, each party reserves the right to apply a temporary duty on fresh fruits or vegetables originating in the territory of the other party and imported into his territory when, for each of five consecutive working days, the import price of such fruit or vegetable for each such day is below 90 percent of the average monthly import price for the month in which the day falls over the preceding five years, excluding the years of the highest and lowest average monthly import price and the planted acreage in the importing party for the particular fruit or vegetable is no higher than the average acreage over the preceding five years, excluding the years with the highest or lowest acreage."

An Honourable Member: That clears that up.

Mr. Uruski: Mr. Chairman, my interpretation of this is, and the staff in the department who have viewed the agreement of this specific section, it means that the agreement will, in fact, take in the acreage of the five years preceding the agreement. In terms of the agreement, is now? We view Canada's or Manitoba's production over the previous five years and here is the acreage? It is on an acreage basis? Highest and lowest acreage? We take the average. Here is our average production. So that 10 years from now, as population grows, we expand production. However, as soon as we go above the acreage, the acreage that we have in this five-year average, as soon as we increase, that opens the door to the imports, and the imports then will come in—

Well, Mr. Chairman, the Minister of Agriculture is shaking his head to the negative. I want to make the assertion. I want them to correct me if I am wrong.

The imports will come in at whatever price they can and, of course, depress the price to the level of the market in the United States. That is essentially what has occurred and what will occur under this Agreement, thus the price of those vegetables will relegate the Manitoba industry to an average of the last five years of production. That essentially is what this Agreement will do. Am I wrong in that assertion?

Mr. Ernst: Mr. Chairman, I do not want to make any comments with today being Illiteracy Day. But let me explain to the Member for Interlake that under the provisions of this agreement, there is no restriction, first of all, on any grower to grow any amount of product. There is no restriction.

Now, Mr. Chairman, the Member for Interlake indicated earlier that this was going to prevent people from increasing production. Mr. Chairman, that is wrong. If the Member for Interlake understands that, then fine, Mr. Chairman.

Secondly, in terms of the snap-back provision, if the production exceeds the five-year floating average as it flows through that 20-year period—it is a five-year floating average now, excluding the peak and the lowest years—as it flows through that 20-year period, if production exceeds that five-year average, then the snap-back provision is lost.

But it is a floating average. It is not fixed today. No one is prohibited from growing more at any time during the agreement and no one is prohibited and no loss of the snap-back provision is entertained as long as it does not exceed that floating average as it goes through the 20 years of the proposal

Mr. Uruski: The Minister can jest all he wants. He knows, maybe he does not know, why would Canadians have had the duty, the temporary duty on vegetables? Can he explain the reason why the duties have been put into place on vegetables in the first place?

Mr. Ernst: The duties and tariffs that have been put into place are there to protect certain highly subsidized industries. Grapes, tomatoes, predominantly in southern Ontario and in British Columbia, not Manitoba's predominant root crops, Manitoba's fresh market.

Mr. Uruski: Are there no temporary duties placed from time to time on vegetable imports into Manitoba?

Mr. Ernst: The specifics of duties that apply to competing vegetable products coming into Manitoba on a seasonal basis is, by and large, handled by the Department of Agriculture. We do not have, the Canadian Minister and myself, the specifics of that at the moment. We are prepared to get it.

Mr. Uruski: Mr. Chairman, maybe the Minister should check up on his literacy in terms of this issue and understanding. I believe that he does understand that, in the main, much of the vegetable industry and production in Manitoba in special crops has been as a result of the protection of the Canadian Government over the years has evolved, and of course over the

years, as the industry matures, in certain areas through negotiations, duties and tariffs have been removed. That is understandable. But in terms of a poultry industry, in terms of an egg industry, in terms of a dairy industry, I venture to say that we would not have the kind of vibrant industry that we enjoy in this country as a result of supply management, which is indirectly a duty and a tariff, in the same manner as the vegetable industry is protected on a seasonal nature.

* (1700)

The Minister gets himself into a trap wanting to be so general and so supportive to the agreement. He does not even want to admit to say that, look, there are some negative sides to this. But the fact of the matter is, we took a course of action that rather than, and here is where the specific debate comes into play, and the different approach that would have been taken by my government, our government, would have been to negotiate an expanded trade agreement on a sector-by-sector basis. The Americans have passed a Protectionist Trade Bill, although it has been watered down to some degree. We still have the chloramphenicol or the duties placed on hogs. That has not been removed by this trade deal.

The dispute settling mechanisms still are the same. I mean, there is no change. The very issue, there is not change. They still apply their laws. The fact of the matter is, it is their market that we are after. We were looking at a dispute settlement mechanism that would be fair to both parties. We did not get that. We did not get that in this agreement.

All I want the Minister to acknowledge—he has wanted to skirt around—and say look, there is a problem; there is a problem in the vegetable industry, that there is really no gain in terms of beef, pork and hogs. The fact of the matter is, we still have the countervailing duty on hogs. Beef—there has been no duty; beef has been traded freely. So this agreement really—we cannot say that the enhancement of beef exports has been changed as a result of this agreement. No change there.

In terms of poultry product and supply management commodities, we cannot on one hand say that marketing boards will not be affected like the Minister says because the fact of the matter is, with the increase by the agreement in terms of the poultry going—shall be no less than 7.5 percent, there is an increase in the exports in the U.S. That effectively has to hold down the price paid to producers. Even the Minister of Agriculture will know that all you have to do is impact a market to a slight degree with lower priced product and that will have the general rippling effect on the rest of the market. Does the Minister of Agriculture disagree with that?

If you put in 10 percent of the products on the marketplace at a much lower price -(Interjection)-pardon me?

Mr. Findlay: That is all you have, is a ripple then?

Mr. Uruski: The Minister of Agriculture says that if only 10 percent of the market that you have, that is all the

ripple? Mr. Chairman, we will deal with him when he comes into his Estimates on specifically what impact there is on the market.

This Minister is basically playing a shell game with Members of the committee, the public of Manitoba. He does not want to get his head out of the sand. He does not want to admit that there are some negative impacts. All he wants to do is take the rhetoric and say those who oppose—

Mr. Chairman: Order, please; order, please.

The time now being 5 p.m., it is time for Private Members' Hour.

Committee rise.

Call in the Speaker.

IN SESSION COMMITTEE REPORT

Mr. Mark Minenko (Chairman of the Committee of the Whole House): The Committee of Supply has considered certain resolutions and directs me to report progress and asks leave to sit again.

I move, seconded by the Honourable Member for Inkster (Mr. Lamoureux), that the report of the committee be received.

MOTION presented and carried.

PRIVATE MEMBERS' BUSINESS

Mr. Speaker: The hour being 5 p.m., Private Members' Business.

Before I call the Bills standing on the Order Paper for debate on second reading, I believe it would be helpful to the House if I were to remind all Honourable Members that on second reading it is the principle of the Bill under consideration which is debatable and that when that Bill is an Amending Bill it is the principle of that Amending Bill, not the principle of the Act being amended, which is the business under consideration.

Hon. James Downey (Minister of Northern Affairs): Mr. Speaker, it is my understanding that the Bills that should be called would be debate on second reading of Private Bills starting with Bill No. 18, proceeding over to the Public Bills Nos. 2, 3, 13 and 16, and then proceeding to the Private Members' Resolutions.

Mr. Speaker: Debate on second reading, Private Bills. On the proposed motion of the Honourable Member for Gimli (Mr. Helwer), Bill No. 18, An Act to amend An Act to incorporate the Manitoba Motor League; Loi modifiant la Loi intitulée "An Act to Incorporate the Manitoba Motor League," standing in the name of the Honourable Member for Dauphin (Mr. Plohman). (Stand)

On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 2, The Business Names Registration Amendment Act; Loi modifiant la Loi sur l'enregistrement des noms commerciaux,

standing in the name of the Honourable Attorney-General (Mr. McCrae). (Stand)

On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 3, The Corporations Amendment Act; Loi modifiant la Loi sur les corporations, standing in the name of the Honourable Attorney-General (Mr. McCrae). (Stand)

On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 16, The Real Property Amendment Act; Loi modifiant la Loi sur les biens réels, standing in the name of the Honourable Member for Lac du Bonnet (Mr. Praznik). (Stand)

PROPOSED RESOLUTIONS

RES. NO. 8—ABORIGINAL ECONOMY

Mr. Speaker: On the proposed resolution of the Honourable Member for Rupertsland, Resolution No. 8, Aboriginal Economy, the Honourable Member for Rupertsland.

Mr. Elijah Harper (Rupertsland): I move, seconded by the Honourable Member for Churchill (Mr. Cowan), that:

WHEREAS the aboriginal people of Canada have been trapping and hunting for hundreds of years; and

WHEREAS aboriginal people and many other northern residents continue to make their primary source of income by trapping and hunting; and

WHEREAS historically, and by necessity, trappers are natural conservationists who respect wild animals; and

WHEREAS trapping and hunting are integral parts of the aboriginal way of life and have been for hundreds of years; and

WHEREAS aboriginal people need international recognition of their subsistence economies as a natural and integral part of the need for a global conservation effort; and

WHEREAS the current legislative proposal before the European Parliament that will require some wild animal fur products sold in Europe to carry a warning label will cause great economic damage to aboriginal people, and will adversely affect the cultural survival of Indian and Metis people in northern Manitoba; and

WHEREAS this proposal singles out wild fur products which are primarily from aboriginal people; and

WHEREAS the proposal is another example of the complete lack of understanding that far too many Governments and organizations have concerning the aboriginal way of life.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba go on record as opposing the proposal before the European Parliament which would require some wild animal fur products to carry a warning label; and

BE IT FURTHER RESOLVED that this Assembly direct the Clerk to forward copies of this Resolution to the Minister of External Affairs and to the European Parliament.

MOTION presented.

* (1710)

Mr. Harper: Mr. Speaker, this resolution brought forward to this Legislative Assembly is very important to the aboriginal people. I wish to seek support from the Members of this Assembly for a grave concern brought upon the aboriginal people. Last Session I wrote a letter to the Prime Minister of Great Britain, Margaret Thatcher, opposing the legislation which was being introduced in the British Parliament. It was being introduced by Allan Clark, who was the Trade Minister introducing the motion.

I wrote to her concerning the problems that we would have if this legislation were to go through. As you know, the legislation that was being proposed was to have all fur garments labelled, identify them as if these animals or fur products had been caught by the leg-hold traps.

In doing so, many of the other aboriginal groups, many of the aboriginal trappers, Canadians who were involved in the fur industry, including many of the Members of Parliament, opposed the legislation that was being introduced in the British Parliament. As a matter of fact, there was tremendous pressure to have the British Government withdraw this legislation. After much pressure, the British Government withdrew the legislation which was a successful attempt by our politicians and trappers to have this legislation removed from the British Parliament.

However, another resolution is being proposed to be introduced in the European Parliament which has the same wording, which will have the fur garments labelled saying that the animals may have been caught in the leg-hold trap. This piece of legislation will have a grave and serious impact on the aboriginal people of Canada. This legislation is being introduced in a larger form than European Parliament. The European Parliament represents 12 western European countries. It poses a greater threat to the aboriginal people. If passed in the European Parliament, then the European Parliament will have condoned the cultural genocide of the aboriginal people here in Canada. I believe the campaign by the animal activists is misguided. Although the attack is on the fur industry, it is also an attack on the aboriginal people, their lifestyle, their culture and our values.

For many hundreds of years, the aboriginal people in this country have been harvesting wildlife, harvesting fur-bearing animals, harvesting the waterfowl. The aboriginal people, through their lifestyle, have a great respect for the environment, have a great respect for the wildlife. As a matter of fact, the aboriginal people have a close relationship with Mother Nature, and also to live in harmony with Mother Nature.

Indeed, the aboriginal way of life and our social structure, our culture, our beliefs, our values are

certainly reflected in our stories, in our legends. As a matter of fact, when I used to sit with my grandfather, he used to tell me many stories relating to the Mother Earth, relating to animals and birds. He spoke to me about one particular bird, the raven. He, at that particular time, had this big conference of birds and animals, and they were talking about what each animal should be eating. The raven, being really overzealous and wanting to get in line first, asked what he should be required and function that he should be doing on this planet, on this earth. So his reward was, being overly aggressive, he was told that you go fly and find what you can eat. So that is why to this day the raven is a scavenger, picking up bits and pieces and eating all the garbage.

I can tell you of many of the other stories relating to our stories and legends about each particular animal or why a certain animal is a certain way, how its food fits into our lifestyle and the particular function of the bird. Many times too, I have spent many nights, many weeks on a trap line. I have said this before in the Legislature. I was raised on a trap line.

We have a great respect for animals that we kill, that we harvest. As a matter of fact, when we kill the beaver or the muskrat, the bones that are left behind, we throw them in the fire so that the dogs cannot get at it or else maybe throw it into the water. So even the remains of dead animals, we respect that.

It is not just harvesting animals for the sake of sport, but rather for survival and need. It is the belief of our people, the aboriginal people, that we should benefit from Mother Earth which includes all resources, forestry, minerals, the wildlife, the fur-bearing animals.

* (1720)

Many of the animals that we harvest, even the fur-bearing animals, we use for clothing, either moccasins or even the bones. Sometimes my grandmother used to use a bone of a particular animal and use it for scraping the animal hide. Also even when we killed a moose, I mean we used to use the hairs. The moose had to be scraped off. Then we used that as sort of a base for building a mattress so that, in wintertime, you were able to sleep on a warm winter night on the solid frozen ground. Even the skin, we used it for moccasins and clothing. Even the head of the moose, the brain itself, we used to use that to put on the animal skin to treat the hide. I remember my grandmother putting this substance from the moose's brain on the hide, and she was telling me that she was treating the hide so that it will become soft. Even then, we used every part of the animal body for our own purpose. That is why I say that the aboriginal people are very sensitive to the wildlife and have a great respect for it.

This proposed resolution that will be introduced in the European Parliament will have a great impact, a devastating impact on the aboriginal people. Even now, our survival, our culture, our traditions and values are under attack. We are constantly being reminded of that day to day, of the tragedies. Our culture is very precious. Our culture is always every day being undermined. Our

culture is very sensitive, very fragile at this time. We are today, at this time, forging a new generation that will ensure the survival of our aboriginal nation.

When I say that our tragedies, our culture is under attack, I can just give you a list of examples of what I mean by that, of the terrible tragedies. Some of the statistics that I quote here are from the parliamentary report that was done by the House of Commons in 1983 on Indian self-government in Canada. On child welfare, it says here: "The proportion of Indian children in care has risen steadily to more than five times the national average." Regarding education, it says here: "Only 20 percent of Indian children stay in school to the end of secondary level. The comparable national rate is 75 percent. In housing, nearly 90 percent of on-reserve homes have two or more families living in them." These are just a few of the examples that I mention.

Regarding some of the tragedies, like here in Manitoba, 70 percent of the people jailed in Headingley are aboriginal people, and 66 percent of the inmates in Portage la Prairie are aboriginal people. Nearly 40 percent of the Stony Mountain, which is the federal penitentiary, are aboriginal people. Why is that? You ask yourself why are many of the aboriginal people in jails. That is because we have been constantly under attack, and also there has been unwillingness by Governments to understand the aboriginal people and their way of life. It may have been designed by purpose or not.

When I talk about the condition of the lives of aboriginal people, it is a very grave concern to me personally. Also hopefully, the Members of this Legislature will realize that, when I speak, I do not speak with great force or I do not speak like an orator but I try to get my message across with a kind hand. Maybe it is about time that I start being maybe more aggressive. We need to educate the general public, including Europeans, the very people who are, unknowingly maybe, destroying our way of life. When I mention that the people, the animal activists, are misguided—I guess my time is running out. I was going to mention about other areas that they should be concerned about destroying animals, like nuclear waste and everything. With that, I thank you, Mr. Speaker.

Hon. James Downey (Minister of Native Affairs): Mr. Speaker, I am pleased to join in the debate on the resolution brought forward by the Member for Rupertsland (Mr. Harper). In my comments, I would like to say that I think the Member, in his term as Minister, has taken some action to contact the British Parliament and Margaret Thatcher, who is a fine Prime Minister and who I guess must have listened to him. I think there is more in this resolution than really is written here and the Member I think in his comments about himself not being forceful but being very, I would say, patient . . .

An Honourable Member: Understanding.

Mr. Downey: Yes, very understanding. I think the problem is—and seeing that this is a day for people to consider their political beliefs and who they want to

be with, I would think the Member for Rupertsland (Mr. Harper) would find himself much more comfortable in the Conservative caucus and the Conservative Party, because let us look at what we are talking about.

We are talking about historical activities of the aboriginal people. We are talking about historical harvesting of the furs and the fur-bearing animals in this country and the opposition to it. That opposition to it is not coming from people of conservative minds. It is coming from people who would find themselves more in line with the socialist thinking in life.

An Honourable Member: And some Liberals.

Mr. Downey: Yes, and some Liberals. Yes, Mr. Speaker, and some bleeding hearts.

* (1730)

So I think there is a bigger underlying question for the Member for Rupertsland (Mr. Harper) than is written here. I want to point out this to him, I really do. What is the difficulty in the Native community? He tells us it is unemployment. Who has been in office in Manitoba for the greatest number of years over the past 20? The New Democratic Party, of which he is a Member. Who has been our federal Government for the vast number of years over the last 50 years? It has been the Liberal Party.

So to the Member for Rupertsland (Mr. Harper), his own colleagues, the Liberals of this country have failed him, have failed the aboriginal people, have failed to deal with an issue, the issue of opportunity, the issue of providing themselves with the opportunity to carry on with their traditional lifestyle of trapping of animals to maintain their livelihoods. But the socialists, Mr. Speaker, in this society who have been so opposed to leg-hold traps and the Liberals who I believe have taken, through Government policy and the Indian Affairs Act in this country over the last 50 years, the heart and soul and the pride out of the aboriginal people.

The people have been a very proud group of people. They have been very much an integral part of the total society of Canada as it has historically developed. But the Member still seems to want to sit and take more punishment. Why was he not more aggressive within his own Cabinet? Why was he not more aggressive within his own caucus when it came to the employment of his people?

I think it is a pretty sad record for the Member to now come and say—basically, it is an admission of failure of the New Democratic Government when it comes to dealing with the Native people.

An Honourable Member: Fifteen out of the last 19 years.

Mr. Downey: That is right, 15 out of the last 19. So what is our big problem? Social programs, social problems, lack of employment, lack of support for those people. I think he should take a very, very hard look at his philosophical beliefs and who he wants to continually align himself with.

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That is why I say, Mr. Speaker, in view of the fact that we have now got an empty seat on this side of the Legislature, it would be a good opportunity for the Member for Rupertsland (Mr. Harper) to rethink his political beliefs, because he is sitting with a group of people who really do not down deep support - (Interjection)- No, no, that is right. I would suggest to the Member for Rupertsland that he takes a real hard look. Again, it was evidenced by his Leader who would not support him or the Member for Churchill (Mr. Cowan) with the inclusion of an additional seat in northern Manitoba to represent the northern and Native communities. His opposition to my colleague's resolution from Minnedosa (Mr. Gilleshammer) is condemning of him and his support of the New Democratic Party.

Mr. Speaker, when will the Member for Rupertsland (Mr. Harper) realize that the Member for Concordia (Mr. Doer) and he have absolutely nothing in common? - (Interjection)- Well, I am sure that, at the next leadership that I am sure will be held in two months or so within your Party, probably the Member for Rupertsland, if he has not left you people by then, will well be looking for a new Leader, in fact, may well be taking on the leadership role himself.

Some Honourable Members: Hear, hear!

Mr. Downey: I am serious, Mr. Speaker. The way in which the New Democratic Party have dealt with the aboriginal people, the way in which the Leader currently has dealt with northern Manitoba and said he is prepared to vote against a Private Member's resolution that will give them a greater say in the Legislature is despicable. It is despicable for him to carry on and pretend that they represent the North and the aboriginal people.

So how, Mr. Speaker, can the Member for Rupertsland (Mr. Harper) expect to get support in the Legislature from everyone else when I am sure he has not even got it from his own people when it comes down to leg-hold traps. I am not so sure that there are many socialists in our society who would not stand up and vote against this resolution down deep within the socialist beliefs.

There is no question in our mind that I am the greatest supporter of Margaret Thatcher and what she did. She did it because of the influence of the Member for Rupertsland. My colleague, as well, I will tell you, my colleague, the Minister of Natural Resources (Mr. Penner), took great leadership in calling together all the Ministers of Natural Resources in this country to again protest the move in the European communities to reimpose this same kind of legislation. It is my understanding that again they have stopped the implementation of it. The implementation of the legislation has been deterred. So let it not be said in this House.

I think that it is absolutely clear that the Member for Rupertsland, when it comes to asking for support in the maintenance of the aboriginal lifestyle, in the maintenance of their hunting and their normal harvesting practices through leg hold traps or traditional

ways, that it should be supported. But I will bet you, down deep, there are not many socialists in the caucus of the Member sitting opposite and/or in the socialists outside in the society that truly support this.- (Interjection)- A hundred percent! The Member for Concordia (Mr. Doer) does not even support his Member in maintaining an additional seat to represent the aboriginal people in the North. So what is he sitting here trying to tell us how supportive he is? - (Interjection)- Two weeks ago, I had one. There will be another time to debate that whole issue which I plan to do so, and do so at length.

The whole question of how sincere people are when they bring these resolutions forward, I think, is the issue here. I know the Member for Rupertsland (Mr. Harper) is sincere—absolutely sincere—but I am not so sure the Leader of his Party is very sincere about how supportive he is when it comes to the Member for Rupertsland, particularly when he had the audacity to speak out against the people from the North and the aboriginal people from getting an additional seat in this Legislative Assembly. It is true. It speaks very true of the kind of commitment that he has to northern Manitoba.- (Interjection)- The Member says he supports it. Why did he not say it then? Why did he not say that he supported it?

Back to the resolution, Mr. Speaker.- (Interjection)- As I have indicated before, I may have lost the name to the riding, but I do not think that I have lost the support at this particular time.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. The Honourable Member for Churchill.

Mr. Jay Cowan (Churchill): Mr. Speaker, following that last comment, I wonder if the Minister of Agriculture (Mr. Findlay) would entertain a question.

Some Honourable Members: Oh, oh!

Mr. Downey: Mr. Speaker, I am sure that given strong support for a Senate appointment for the current Member for Arthur, it may well open it up for anyone who would like to take on the challenge.

The resolution, what the Member is asking for is this Legislative Assembly to clearly oppose any legislation being implemented that would in fact impact on the traditional ways of life of the Native and aboriginal people.- (Interjection)- Well, that is basically what it says:

“THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba go on record as opposing the proposal before the European Parliament which would require some wild animal fur products to carry a warning label.”

I am a little incorrect in the way I interpret it. I guess the warning label would say that these animals were caught by a leg-hold trap. However, the Leader of the—

An Honourable Member: The third Party.

Mr. Downey: The Member for Concordia—the third Party (Mr. Doer), that is right—would want to have it clearly stated that really the whole principle of using wildlife for sustaining of life is one which, as the Member has indicated in the WHEREASes, has been one which was of normal, normal life-sustaining activities. It is the same for those people who are in the fishing industry.

I am surprised, Mr. Speaker, that someplace, somewhere, some socialist has not come up with the idea that you have to catch fish in a net or a hook in their mouth, and in fact it is inhumane. Certainly, it is not the nicest thing when you think about it, but it is the sustenance of life. It is a comparable way in which we can talk about the catching of animals by leg hold or of fish by gills. I mean it is a matter of -(Interjection)- No, the basic principle is that the Member is identifying in this resolution a problem that the aboriginal people have, and we have no difficulty in supporting the resolution. I have no problem with that at all. In fact, my colleague, the Minister of Natural Resources (Mr. Penner), has taken the lead as the Minister of Natural Resources and had some impact on it.

(The Acting Speaker, Harold Gilleshammer, in the Chair.)

So I say, Mr. Acting Speaker, it is extremely unfortunate that again the Member for Concordia (Mr. Doer) does not support the aboriginal people, does not support them in having greater representation in this Legislative Assembly. He indicated so by his comments on the boundary question when it was introduced by the Member for Minnedosa (Mr. Gilleshammer).

I would hope, in concluding my remarks on this particular issue -(Interjection)- The Member keeps harping on something about the press secretary for the Premier (Mr. Filmon). How small an issue to use and try and deflect what is such a major, important item for the people of Manitoba as the right to have representation in the Legislature! How small can he be? But I know him; he can be that small. I now appreciate why -(Interjection)- I am suffering from the shock of a major cold today.

The Member for Rupertsland (Mr. Harper) again, I think, in my concluding comments, should reassess the type of people that he sits with in the Legislature as far as political alignment is concerned. He should rethink his whole political future, because I am sure where he is at with them will continue to be a life long in Opposition in some form. It may not be in the House, but I am sure that it will be in Opposition. I think, to further progress in this whole area, that he would be well-advised to rethink that and get on with looking after the aboriginal people of which he has been elected to represent.

As the Minister responsible for Native Affairs, I am finding very much the difficulties that he has referred to as very frustrating—the young people in the communities lacking employment, recreation—and I think it is time that we, as the legislators, got on to give them major support. Thank you.

Mr. Paul Edwards (St. James): Mr. Speaker—Mr. Deputy Speaker—I said that twice; I did not mean to. He is the Deputy Speaker; I realize that.

I want to make some brief comments about this resolution and about the aboriginal economy generally, and the state of the aboriginal community in this province as a whole. Our critic for Native Affairs is out of the city at this time, and he will certainly be speaking to this as well. I wanted to rise and make some comments on my own behalf at this time.

I had the privilege while I was at law school to write a paper, a final paper which is to be published, in fact, on the aboriginal self-government and the Canadian Charter of Rights and Freedoms. In that paper I was pleased to have been forced to do quite a bit of research, and go through quite a bit of discussion with aboriginal groups and learn a lot about the legitimate aspirations of self-government of the Native people in this country. My conclusion in that paper was that while the courts of this country can certainly stultify those desires, the redressing of the many, many unjust acts that have happened to the Native people in this country, they should not. They should look to take a broader approach to including Natives in our culture as equals, which they have not been. I think, and I would hope that the judges of this country will, in fact, take that approach, stretch their imaginations in the concept of nationhood as has been done, and there are decisions that have been made by courts in this country which do that.

One which comes to mind is the descent in the Calder decision in British Columbia, the Baker Lake decision from the Northwest Territories, where judges have looked to the historical rights of Natives, aboriginal title and managed to take that concept and modernize it without losing the sense of uniqueness that Natives have and have always had. I think what we have seen in our country and, indeed, in many countries with the aboriginal groups is that there has been a reawakening in recent times, and by that I mean in the last decade or two, of the aboriginal people and what role they want to take in the society that has come to them. I think that is something we always have to remember.

In that vein I recall a story that was told to me by a law professor who was extremely sympathetic to the aboriginal self-government desires and he was telling a story about the aboriginal person from Australia who went to England and took a little boat and landed on the shore and planted his flag on the shore of England and said, I claim this as mine. We laugh, and I see the Members opposite chuckling over that, and it is true. It is a ridiculous concept, and yet that is what has happened. I think we have to remember that, that this country was not ours, and I want to tell one other story.

I went to India for seven months when I was 18. I was very privileged to go, and when I went I thought that—and I think I touched on this in my response to the Speech from the Throne—I thought, you know this country has such a rich history, 10,000 years of history, and I felt like such a Canadian neophyte. I mean, we had nothing that they had. We did not have any Taj Mahals that were thousands of years old, or hundreds of years old, and our culture was so new and that brought with it many advantages, but then I realized, on reflection, that was not true, and my educational system had greatly let me down.

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There had not been the teachings in history classes that in fact our culture in this land goes back thousands of years. It is not the white man's history on this land, but it is the Native's history and that is something that was left out in my education, and I felt angry about that and it is something that I worked on in my university years and culminated indeed in this paper in an attempt to learn the history of the Native people and what their aspirations are, and how they are going about achieving those aspirations.

* (1750)

I also had some involvement, and I was very fortunate, I feel, to have some involvement in the five conferences that took place in Ottawa on aboriginal self-government—not direct involvement, but I was at Queen's Law School and Professor David Hawkes at that school organized conferences which took place prior to the conferences in Ottawa where he attempted to get the major participants together to do the preliminary work to try to come to some consensus so those conferences would have success. Of course, that was a failure. We all know that now.

There were major blockades in the way and they came from a few provinces. I am happy to say they did not come from this province. That, I think, is a tribute to the New Democratic Government during that time, that they were supporters of the move toward self-government on behalf of the Natives. We were willing to work with them and struggle with them in defining that. I have had many arguments, and many, many discussions with not only colleagues of mine in the practice of law who oftentimes have difficulty with conceptions of self-government, but just many others on self-government and how it is going to impact on our country, and how we are going to fit it in.

I, for one, do not think it will be a problem. I have great faith in the Native leaders to define how they will run their societies and I am a supporter of their aspirations. I have been privileged to get to know quite a few of them. Going on from there, and also in terms of my personal background on this issue, my father is a United Church Minister and I had lots of involvement with Natives as I was growing up.

He was a Minister in rural areas and oftentimes, most often, there were Native communities in the communities he was a Minister in, and reserves were close.

I saw the Native communities in the rural areas in which I lived struggling—struggling very hard as they struggle in this community today. My mother was a teacher and is a teacher in downtown Regina, which also has a serious Native urban problem. She teaches Native children, so I certainly know from personal experience the many sides to Native life in this country.

I also have been fortunate, and I requested it, to be twinned with the constituency of Rupertsland. Our Liberal caucus has undertaken to twin us and that is one that I sought. I hope to take a trip up to Rupertsland, the old Rupertsland, or the new Rupertsland, whatever, following this Session or shortly thereafter. I greatly look forward to that.

I want to go on to make some comments about the Members opposite who I simply do not think understand Natives. I do not think they understand Native aspirations and the Native culture, and the role it has played, and the role it desires to play in this province and in this country.

Now, I highlight that and I think it supports my conclusion, the position taken by the Attorney-General recently on the Native Justice Inquiry. I simply do not think the Attorney-General grasps that to be Native and experience the justice system is a totally unique experience.

It is not something that his researchers in his department can ever understand, can ever hope to understand. And I think he has got to come to that realization quickly. It is astounding to me that he would not understand that some of the research funds should be directed by Native people. Those research dollars will be spent in a fundamentally different way. The direction that the research takes will have a profound impact on what comes out of the inquiry, what goes in—albeit, the commissioners are very fine commissioners. I have every confidence that they will do a good job. But the presentations that are made will have a lot to do with what comes out. They will be the first to tell you that, as they have, as we know now that they have.

The other issue which I have been interested to see raised constantly in this House since the beginning of this Session, and I am a new Member so I do not have a lot of experience in the House, but the environment has come up again and again and again. I think we have seen great failings on the part of the present Minister of Environment (Mr. Connery). I think that whole department has obviously been given pretty short shrift by this Government. That has been indicated in many, many ways, not the least of which is his performance in times of crisis.

While the individual daily crises come up, as Members of the Opposition have pointed out regularly, I think we are generally in a crisis in this country with respect to the environment and dealing with waste. I think it is indicative of the way that we as a society have operated which is not to have any foresight, which is not to examine the repercussions of what we do in industry and what we do in our marketplace before we do it. We simply do not make that effort. We are seeing the ramifications of that every day, not the least of which is the impact on our ozone layer, which many suspect now is going to have profound impacts, perhaps forever, on our agricultural industry. We are living, I think, on borrowed time.

It is my view that is something we can learn from the Native community, their approach being much more tied to the land and to the primary industries of agriculture and trapping, fishing and hunting. They took care of their livelihood. We have become removed through employment in factories and in cities from what keeps us going, what feeds us and what keeps our society alive. That is the environment, the natural environment.

We need that environment, we need productive land. We need skies that block out the ultraviolet rays that

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give us cancer and burn our crops. We need to protect the soil that we reap from every year. We need to protect the drainage systems. We have to learn to think ahead. I think that is something that we can learn from the Natives about. They did look ahead, they had to look ahead, but they knew enough to do it.

It was the white man who wiped out the buffalo, which was in fact the livelihood of the prairie Natives, wiped it out in an incredibly quick period of time after thousands of years of livelihood. I think the Member for Rupertsland (Mr. Harper) has pointed that out, the importance of animals and wildlife in the Native way of life. It is astounding to me, as you look back and read the history of that era, that very shameful era in our history on this land, when we wiped out the buffalo with absolutely no concern for the Native way of life. We were bound, bent and determined to destroy that way of life.

I guess I am asking the Members opposite in this regard to again stretch their minds and not see that as a partisan decision because it was not. It was a decision made over decades in this country, before this country was even formed. It was a policy of non-caring and of taking over the land. Now, that is not to say that we do not have valuable communities on the land

now, but it is to say that it is from that basis that we should look at Natives now and aboriginal desires for self-government and aboriginal desires to be an integral part of our community in every aspect of it and to run their own show.

I think that we have to keep in mind our history. We should not be stultified by guilt, and they do not want that by the way. In my experience, they do not want that. What they want is some cooperation and I, for one, think it has been a long time coming. I see that time is running out on the day and I do not want to take up much more time but I want to make another comment. The Member for Arthur is

The Acting Speaker: Order, please.

Mr. Downey: Mr. Acting Speaker, in view of the time and the fact that there is a committee meeting tonight dealing with the Churchill committee, I wonder if it would be the desire of the House to call it six o'clock. (Agreed)

The Acting Speaker: If so, the hour being six o'clock, this House is adjourned and stands adjourned until 10 a.m. tomorrow morning (Friday).