



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

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**DEBATES**  
and  
**PROCEEDINGS**  
**(HANSARD)**

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37 Elizabeth II

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**MANITOBA LEGISLATIVE ASSEMBLY  
Thirty-Fourth Legislature**

**Members, Constituencies and Political Affiliation**

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, November 3, 1988.

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### READING AND RECEIVING PETITIONS

**Mr. Speaker:** I have reviewed the petition and it conforms with the privileges and practices of the House and complies with the book rules. (Assembly of Manitoba Chiefs and Others funding request re Aboriginal Justice Inquiry.)

### INTRODUCTION OF GUESTS

**Mr. Speaker:** Prior to oral questions, may I direct Honourable Members' attention to the loge on my left where we have Clarence Baker, the former Member for Lac du Bonnet. On behalf of all Honourable Members, we welcome you here this afternoon.

Also, we have seated in the public gallery from the Louis Riel Collegiate, fifty-one Grade 11 students under the direction of Mr. Michel Gagné. This school is located in the constituency of the Honourable Member for St. Boniface (Mr. Gaudry).

On behalf of all Honourable Members, I welcome you here this afternoon.

### ORAL QUESTION PERIOD

#### Native Justice Inquiry Gag Orders Civil Servants

**Mrs. Sharon Carstairs (Leader of the Opposition):** My question is to the Attorney-General (Mr. McCrae). The federal Aboriginal Justice Inquiry is essential to the true understanding of the treatment of our Native people in Manitoba.

We congratulated this Government for picking up the initiative announced first by the previous Government in the establishment of such an inquiry, but we have been saddened and disheartened that having gone so far they have been unwilling to go that extra mile and provide the necessary monies to fund the research for our need of communities.

We are pleased that the Minister announced, just a few minutes ago, that it was not Government policy that gag orders be placed on Members of the Civil Service. Can the Minister tell this House today what sections of his department were given orders that they should not appear before this public inquiry?

\* (1335)

**Hon. James McCrae (Attorney-General):** Unfortunately, Mr. Speaker, the newspaper article, which the Leader of the Opposition is using for her research,

states an allegation only and does not state anything to back up the allegation. For instance, which supervisor gave a direction for someone not to attend the Commission of Inquiry. That is precisely what concerns me and precisely what I am endeavouring to find out. I am pleased to tell the Honourable Leader of the Opposition (Mrs. Carstairs) that indeed, yes, there are no second class Manitobans, be they off-duty police officers, be they civil servants, be they any Manitoban. Everyone is entitled to appear before that Commission of Inquiry, be they civil servant or otherwise.

### Civil Servant's Testimony

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, my question is to the First Minister (Mr. Filmon). Today the First Minister issued a memorandum in which he said that every civil servant should feel perfectly free to make a presentation at the inquiry. We congratulate him for that memorandum.

Will he go a step forward and actually encourage members of the Civil Service who might have valuable information to in fact bring that testimony with them to such an inquiry?

**Hon. Gary Filmon (Premier):** Mr. Speaker, firstly, in response to that, I want to indicate to the Leader of the Opposition (Mrs. Carstairs) that when the Attorney-General (Mr. McCrae) spoke with me on Friday, because we had heard some rumours or suggestions that there was an inhibition on the part of some members of staff in various departments to go before the inquiry, we agreed completely that we wanted to do everything possible to ensure that members of staff felt perfectly free and uninhibited to go before the Aboriginal Justice Inquiry. We felt that in the interests of having the fullest, most open inquiry possible, that they should be encouraged to do so.

So I wrote the memo which was delivered today to all departments to that effect, to put forth the view that this Government wanted to have all of its staff feel perfectly free to go there. That was in fact a method of encouraging them to do so. If the Leader of the Opposition (Mrs. Carstairs) believes that in some way the statement that they should feel perfectly free to go before the inquiry is not encouragement enough, I will say publicly that we will encourage any who have an opinion or an idea to share with that Aboriginal Justice Inquiry, or a concern, that they should go there and feel that they have the encouragement of this administration to put everything on the record that is pertinent to this inquiry.

**Mrs. Carstairs:** Mr. Speaker, thank you to the First Minister (Mr. Filmon).

## Indian and Northern Affairs

**Mrs. Sharon Carstairs (Leader of the Opposition):** Will the First Minister also today make contact with the federal Minister of Indian and Northern Affairs, Mr. McKnight, and obtain from him a similar directive which will go out to the staff of the Department of Indian Affairs and Northern Affairs federal, encouraging those public servants as well to testify and to provide this valuable evidence?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I read I believe the senior manager for Indian Affairs in this area, his statement in the paper in which he said that certainly they were encouraged to do that and certainly that the staff of Indian and Northern Affairs in no way would be inhibited from doing that. Given the concern that has been raised and the allegations that have been put before the inquiry, I would certainly be happy to write to the Minister of Indian Affairs, send a copy of my memorandum and indicate the will and the desire of this Government to have all those, whether they be federal, provincial civil servants or other public servants from other domains, should they have anything that would be of interest or importance to the inquiry, that they be encouraged to go before that inquiry. I would be happy to do that, Mr. Speaker.

\* (1340)

## Rafferty-Alameda Project Licence Legality

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, with a new question to the Minister of Natural Resources (Mr. Penner), the federal Government's refusal to conduct an environmental assessment study, coupled with this Government's refusal, has forced an environmental group into pursuing the ultimate course of action, a lawsuit. The Environmental Law Centre has confirmed in a legal opinion that the federal Government may have acted illegally in granting a licence for the Rafferty-Alameda Dam. Does the Minister realize that not only is he supporting a project that will harm Manitoba's environment, he is also supporting a project that may be illegal under our federal laws? Yet he is reported in today's Free Press as saying that he will support the project regardless of the licence legality. Is this indeed this Minister's position?

**Hon. Jack Penner (Minister of Natural Resources):** Mr. Speaker, the reference in the newspaper article referring to my support of the dam was incorrectly stated. I simply want to say this, that the Leader of the Opposition is raising an issue that is going to be before the courts and it is not for me to comment on it at this time, and I will simply not comment on it at this time.

## Licence Suspension Request

**Mrs. Sharon Carstairs (Leader of the Opposition):** With a supplementary question to the same Minister,

it may take weeks, if not months, for the federal Government to hear this application. In view of this uncertainty regarding the legality of the licence, will the Minister immediately demand of his federal counterparts that the licence be suspended at least until the courts have had the opportunity to review the evidence?

**Hon. Jack Penner (Minister of Natural Resources):** Not only have we indicated to our federal counterparts, the federal Government, that we would like the North Dakota Environmental Impact Study to be continued from Minot on down to the Manitoba border, we have also indicated that we want to retain the protection that is provided under the Act of 1909, which refers to quality of water. We have received written assurance from the federal Government that Manitoba will receive that protection.

We have also requested that the federal Government support our position in renegotiating the 1959 Apportionment Agreement. We believe that Manitoba can accrue more regulated flows of water down the Souris River if and when the Rafferty and the Alameda Dams are constructed. We are negotiating on Manitoba's behalf in that regard.

**Mrs. Carstairs:** It is regrettable that this Minister will not take a proactive position.

## Manitoba's Interests

**Mrs. Sharon Carstairs (Leader of the Opposition):** Will he, at least, have discussions with the Attorney-General (Mr. McCrae) in order that we can be interveners in this court case to ensure that Manitoba's interests for environmental protection for water quality can be represented?

**Hon. Jack Penner (Minister of Natural Resources):** We are currently in negotiations with the federal Government, with North Dakota and Saskatchewan to try and put in place a water quality monitoring board. We have agreement now from North Dakota, Saskatchewan and the federal Government that a monitoring board would be put in place which would not only monitor the water on the Souris River, or would not only give us an impact study, a once-in-a-lifetime impact of what might occur, it would in fact give Manitobans the assurance that the water that is flowing down the Souris River would be of a quality—that is, that we are protected under, under the 1909 agreement—that would be at least of that nature or better. Manitobans would be served in a much better way that way than by a once-in-a-lifetime impact study in Manitoba. We are, after all, the downstream recipients of water from North Dakota.

**Mr. Gary Doer (Leader of the Second Opposition):** The Minister is going to go down as the Neville Chamberlain of our water and environment in this province.

\* (1345)

## Crown Corporations Public Hearings

**Mr. Gary Doer (Leader of the Second Opposition):** My question is to the Minister responsible for Crown corporations (Mr. Manness). Today the Minister announced his new Bill, which is 90 percent similar to the old Bill that he condemned profusely. I did check off the many sections that he spoke against last year that he included in this new Bill.

My question to the Minister is—and I applaud the Minister for including the three utilities in the Public Utilities Board—why did he disenfranchise the public of Manitoba for attending public meetings that were required by the law, public meetings for the people of Manitoba to talk about their Crown corporations, to talk about their Crown corporations in terms of the services it provides to them, public hearings that have already been initiated and attended at one location? Why would he take that section out of the Act, Mr. Speaker, and not have the public hearings for the public of Manitoba dealing with Crown corporations?

**Hon. Clayton Manness (Minister responsible for Crown Corporations):** Mr. Speaker, let me say firstly that it is a delight to be able to table the most progressive Crown accountability legislation that exists anywhere in the nation. Let me also say that the good parts of the former Act, Accountability Act, not 90 percent within this Act but the good parts, we are happy to have included.

Mr. Speaker, the Leader of the NDP (Mr. Doer) asked the question with respect to the Service Committee. We feel, through the Public Utilities Board process, that members of the public will have great opportunity to present their case, to ask questions and, indeed, to generally put on the record their concerns. But also we are very mindful of something that Judge Kopstein said with respect to his report. He said and I quote, "Present legislation requires senior management of the corporation to hold annual public meetings to explain the objectives of the corporation," and I go on, he says, "that process would be a time-consuming and often unproductive exercise."

**Mr. Doer:** Mr. Speaker, I note the Government is taking very selective advice from Judge Kopstein, which is their right to do. I notice the statement, the advice that the MPIC management gave us in terms of not wanting public hearings, was the same advice this Minister is taking. There is no question the monopoly Crowns do not want to proceed with these public hearings.

## Public Utilities Board Rural Access to Hearings

**Mr. Gary Doer (Leader of the Second Opposition):** My question to the Minister responsible for Crown corporations is, given the fact that the Public Utilities Board, which is essential for the rate-setting process, meets for its public utilities at about a rate of over 90 percent in the City of Winnipeg, for the utilities themselves, why would he deny people outside of the City of Winnipeg, rural Manitoba, northern Manitoba,

communities all across the province their opportunity to talk in a very informal way, not in the kind of quasi-judicial way of the Public Utilities Board? Why would he take away that right of the public of Manitoba to have their access to their Crown corporations?

**Hon. Clayton Manness (Minister responsible for Crown Corporations):** Mr. Speaker, this Government has not taken that right away. There is not a mandate in this legislation that says that Crown corporations should not go out and meet with the public. Indeed, if it is the will of the Board of the Directors of the Crowns that they wish to, by all means, and it is within their decision to do so, of course they can. All we have removed is the mandate that they had to go out, when indeed the open process for the Public Utilities Board is provided.

**Mr. Doer:** The Minister has taken away the responsibility in law of having public hearings, in terms of the service of those Crown corporations. Mr. Speaker, with monopoly Crown corporations, the citizens do not have the right to go across the street to change their business like a competitive situation. That is one of the weaknesses of monopolies, and that is why we changed the Act.

\* (1350)

My question to the Minister is, does he not recognize the fundamental difference between a quasi-judicial body of the Public Utilities Board, which is primarily interventions by lawyers, very costly interventions, I might add?

**Hon. Gary Filmon (Premier):** And a dog and pony show by the management.

**Mr. Doer:** Mr. Speaker, the Premier (Mr. Filmon) from his seat is saying the rights of people to speak out at public hearings is a dog and pony show. I think that is a disgraceful comment.

## Crown Corporations Public Hearings

**Mr. Gary Doer (Leader of the Second Opposition):** My question is to the Minister of the Crown corporations. Does he not see the difference between the Public Utilities Board and its rate setting and public hearings in terms of the rights of citizens of Manitoba, particularly the rights of people who are not lawyers, in terms of the rate-setting process in terms of their rights and services?

**Hon. Clayton Manness (Minister responsible for Crown Corporations):** I do not know how long you will give me to address that. I will address that question of course in full tomorrow when I speak, hopefully tomorrow when I speak on second reading.

Let me say this to the Leader of the Second Opposition (Mr. Doer). There is no Crown Accountability Act anywhere, and we have studied all the models that allow for more openness to the public, indeed greater

reporting to the public. Secondly, having sat on a quasi-judicial board, I am well aware of the differences, but what this Act guarantees, that indeed no other model, no other legislation within the land guarantees, is open access to a Crown corporation council, not by way of a public hearing but indeed by direct access from any disaffected employee, indeed from any member of society who would like to make a case to the Crown corporation's council. There can be no more open accountability than that.

**Mr. Doer:** We will see how comfortable people are going to political appointments on that Crown council, just like the appointment of the latest member on a board for the Clean Environment Commission, the candidate, the Tory candidate in Fliin Flon and Churchill—

**Mr. Speaker:** Order, please.

### Rafferty-Alameda Project Government Intervention

**Mr. Speaker:** Does the Honourable Member have a question?

**Mr. Gary Doer (Leader of the Second Opposition):** A final question to the Premier (Mr. Filmon), will he not intervene in the Rafferty-Alameda case and demand that Manitoba intervene on behalf of the people of Manitoba with the Wildlife Federation against the federal Government in terms of their potential illegal application of the federal Environment Act, something that his own Minister was condoning in his comments today in the newspaper?

**Hon. Gary Filmon (Premier):** The weakness of the Member's question is put forth when he says the potential illegality of the issuance of the licence. That is what the court action is all about, to find out whether or not the federal Government acted properly in the issuance of the licence.

If he wants to use that as an argument against Rafferty and Alameda, have him tell the people downstream in Manitoba on the Souris River who want to have increased flows at a time when the Souris River is almost dry.

Today, indeed most of this summer, the Souris River would have been dry in Manitoba, not one ounce of water going through it, were it not for the dams that were built previously in Saskatchewan on that river. The increase of storage, the increased regulation of flow gives an opportunity for Manitoba to obtain some significant downstream benefits. Farmers, people who live downstream in Manitoba on the Souris River want to have benefits from increased storage and regulation. That is something that potentially can increase the quality and the quantity of average and minimum flows that we need to have.

All of that has to be looked at very, very seriously and should not be just the subject of a politically motivated question and debate here in the House, it should be—

**Mr. Speaker:** Order, please; order, please.

\* (1355)

### Property Taxes Condominium Assessments

**Mr. John Angus (St. Norbert):** My question is to the Minister of Urban Affairs (Mr. Ducharme) and has to do with unfair property taxation and the special assessment that has been established for property taxpayers that live within a condominium or a cooperative housing unit. This is, I believe, unfair legislation that sets up a double standard and is a travesty of justice in relation to the assessment of taxes. What it means is that all single-family homeowners are not being charged the same.

Recently City Council has passed through their committee structure and on to council a request for this provincial Government to make the adjustment and eliminate that.

### Classification Changes

**Mr. John Angus (St. Norbert):** My question is, what is and when will this Government respond to eliminate the special assessment classifications for owner-occupied condominium and cooperative housing unit owners? Thank you.

**Hon. Gerald Ducharme (Minister of Urban Affairs):** I am very surprised at the Member for St. Norbert (Mr. Angus) who is now so concerned about the condominium property tax classification. I am surprised because during the time of the Private Members' Resolution that was to be put before this House that we all had an opportunity, we will have an opportunity, to speak on, but the Member was not present to present his particular resolution.

Mr. Speaker, I will look forward to discussing, and I am sure that the Municipal Affairs Minister (Mr. Cummings) will look forward to discussing that Bill when it comes forward.

However, in reply to him, I have a meeting with the Mayor of the City of Winnipeg, a private meeting, along with the Municipal Affairs Minister, lined up for next week. Also my departments have consulted with the Municipal Affairs Branch and I will make sure, and I have made sure, that it will be on an official delegation paper November 28.

**Mr. Angus:** The Minister for Municipal Affairs has indicated publicly that this Government does not have any intention of doing anything about this, this year, and I appreciate the Minister's indication that he is going to speak.

### Legislation

**Mr. John Angus (St. Norbert):** Is it this Government's intention to respond this year, this Session, with legislation that will enact the Private Members' Resolution that those Members from the other side were not interested in speaking to earlier this month?

**Hon. Gerald Ducharme (Minister of Urban Affairs):** Mr. Speaker, I just mentioned that it is a classification

change. I will discuss it since the City Council has apparently made it quite aware that they want it to be discussed. I will discuss it and I will be discussing all the assessment issues that relate to Urban Affairs with the Mayor and official delegation on November 28.

**Mr. Angus:** Mr. Speaker, I have ready to submit next week a petition in excess of 1,200 names of people who want to see action now.

The question is, Mr. Speaker, through you, why will this Government put off the expense to these people through a travesty of justice and not allow them to be classified in the same category as single-family homeowners when the actual taxation, the cost of the City of Winnipeg, is less if not substantially reduced to the single-family homeowners? Will you not react immediately this Session to bring in legislation that will help these people relieve that unfair tax burden?

**Mr. Ducharme:** Mr. Speaker, the Member—I did not have the advantage that the Member across the way had at City Council when he could have changed the mill rate on this particular classification.

Mr. Minister, I would also be glad to get the 1,200 names that he has so that he can send them all a letter explaining the position of this particular Member and maybe explaining—maybe he can explain to them why he did not show up to present his Condominium Property Tax Classification in Private Members' Hour at the time.

### **Ambulance Services Churchill, Manitoba**

**Mrs. Gwen Charles (Selkirk):** Mr. Speaker, the Churchill community will be without ambulance services from midnight this Friday until Tuesday morning next week. There are several reasons causing this dangerous situation, but I believe they are all a result of no Government, past or present, who has taken action on the needs of ambulance services in this province.

Mr. Speaker, my question is to the Minister of Health (Mr. Orchard). Will he today forget his glib remarks and his dramatics and provide this House with an immediate plan of action to, firstly, assure the services in Churchill this weekend; and to secondly, assure fully funded and fully supported ambulance services in the province?

**Hon. Donald Orchard (Minister of Health):** Well, Mr. Speaker, so much for the cooperation that I had extended to the Member for Selkirk (Mrs. Charles) and I thought she was reciprocating in every problem she brought to my attention.

\* (1400)

Mr. Speaker, the ambulance problem, as my honourable friend has brought to the attention of this House, as I brought to the attention of the House, is a difficult problem to resolve. However, I cannot, as my honourable friend requests today, bring in a comprehensive plan of resolution; nor can I, as she suggests, provide funding to date to fully fund the ambulance services throughout the province.

However, Mr. Speaker, I can indicate to my honourable friend that a review of the ambulance funding is nearing completion in the Manitoba Health Services Commission. From that, hopefully, will come a plan of action which will resolve a number of the problems before the ambulance services.

As I said to my honourable friend earlier on, when she asked the ambulance funding question some two-and-a-half months ago, I was not satisfied with the level of increase I was able to offer to the ambulance service of Manitoba for this year. I know it does not meet the immediate needs. However, I am hopeful that over a longer period of time we can resolve that problem in cooperation with the ambulance services throughout Manitoba.

### **Volunteers**

**Mrs. Gwen Charles (Selkirk):** Mr. Speaker, many northern and rural ambulance services are volunteers and depend upon the good will of the community. Ambulance drivers cannot always leave their jobs for transfers, so immediate responses are not always possible.

Mr. Speaker, does the Minister want to agree that front-line medical treatment should depend solely on the good will of the community, or does he have a developing policy on ambulance delivery that he could share with the people of Manitoba?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I regret the implication of my honourable friend's question that the volunteers that run the ambulance services are not doing a first-rate job. I believe they are. I believe that they are taking time from their jobs, from their careers, and are providing probably one of the finest ambulance services under stressful conditions of financing, I fully admit, but I regret the implication and the innuendo my honourable friend puts on the record that they are not providing good service.

**Mrs. Charles:** Mr. Speaker, even I have read the first book of politics on how to deflect a question.

### **Emergency Vehicle Standards Amendments**

**Mrs. Gwen Charles (Selkirk):** Is the Minister of Health (Mr. Orchard) considering amending emergency vehicles -(Interjection)- I will begin again, Mr. Speaker.

Is the Minister of Health considering amending the emergency vehicle standards to reflect the conditions of the North, or is he considering direct funding to assure the present standards can be realistically met? Which is it?

**Hon. Donald Orchard (Minister of Health):** I regret my honourable friend read the wrong book first.

The Ambulance Act was passed, I believe, about two or three years ago and just recently regulations as flowed from that new Ambulance Act were passed and

proclaimed. Those regulations were drawn up with substantial cooperation and input from the various ambulance services, associations and workers involved in the service delivery of the ambulance program. Mr. Speaker, a lot of my honourable friend's questions are part of the regulations.

### Rafferty-Alameda Project Water Quantity

**Mr. John Plohman (Dauphin):** Yesterday, in this House, the Minister of Natural Resources (Mr. Penner) provided us with a shocking demonstration of bungled answers on a number of questions. He said, among other things, that we obviously had not read the agreement that was struck to allow the construction of the Rafferty-Alameda Dams immediately. Obviously, we on this side of the House would all like to become more fully aware of some of the deals that this Minister is involved in.

He also suggested yesterday that we, on this side of the House, had not read the technical study on the Rafferty-Alameda plan that he tabled in this House about a month ago—and today he says he wants to renegotiate the Apportionment Agreement of 1959 with the United States—but the technical study that this Minister refers to says that there is only a 50 percent chance that the reservoir behind the Rafferty Dams will be filled in 12 years. Some say it will never fill.

With that being the fact, Mr. Speaker, I ask the Minister, how does he feel that there is a chance that Manitoba will have additional water from this project when it will take at least 12 years, maybe 50 years, to fill that dam, so indeed there will be less water flowing down the Souris River because of that dam?

**Hon. Jack Penner (Minister of Natural Resources):** Mr. Speaker, the implications that the Member opposite makes are similar to the implications that they are referring to when the Federation is requesting that Manitoba intervene in the courts.

I want to say to you that the Manitoba Federation, who I met with just a month ago, just four weeks ago, has not requested that Manitoba be part and parcel of, or have not even questioned whether this project should not proceed. I cannot understand why the Members opposite, the NDP, are inferring that there will be less water or more water down the Souris River when in fact there is absolutely no water in the Souris now.

**Mr. Plohman:** Mr. Speaker, that is a classic case of not answering the question. This Minister is the one who has said there will be more water and he wants to renegotiate greater flows. The only way—

### Water Transfers

**Mr. Speaker:** Does the Honourable Member have a question?

**Mr. John Plohman (Dauphin):** My question is to the Minister of Natural Resources (Mr. Penner). Is this Minister supporting that he would support the transfer

of Missouri River water via Garrison to the Souris River to make up for the lost flows as a result of the Rafferty Dam? Is that his hidden agenda on this, or where is he going to get those additional water flows?

**Hon. Jack Penner (Minister of Natural Resources):** Mr. Speaker, it is not this Government that has agreed to flowing water out of Garrison into the Cheyenne and into the Red River. It is the NDP, it is John Plohman, who have indicated that they are willing to flow waters out of the Garrison into the Cheyenne and into the Red River. We have never said, and we have people - (Interjection)-

**Some Honourable Members:** Oh, oh!

**An Honourable Member:** I think we have a northern wind blowing, Mr. Speaker.

**Mr. Speaker:** Order, please; order. Order. I am not standing here for the good of my health.

**Mr. Penner:** Mr. Speaker, the reference made yesterday by the same Member opposite, when he referred to Garrison water flowing to the northern side of the escarpment on the Garrison, simply referred to \$7 million being allocated to further irrigation which this same NDP administration at that time agreed to. I would like to read for you into the record—

**Mr. Speaker:** Order, please; order.

**Mr. Plohman:** Mr. Speaker, it is a classic case of not answering the question. This Minister gets up; he has not answered one question.

I have a question for the Minister of Natural Resources (Mr. Penner), but I will withdraw my references to his not answering the questions. That is just my humble opinion.

**Some Honourable Members:** Oh, oh!

**Mr. Speaker:** Order, please.

\* (1410)

**Mr. Plohman:** Mr. Speaker, I am very very pleased and encouraged by the Member for Lakeside's (Mr. Enns) support for the concerns that we have on this Garrison Project. He is a true statesman on this issue, not like the Minister.

### Legal Opinion Request

**Mr. John Plohman (Dauphin):** Let me ask the Minister: in view of the fact that he made shocking revelations in this House yesterday that he is not concerned whether the Rafferty project was issued under a legal licence or not, I would ask the Minister if he has a legal opinion. Has he received a legal opinion to substantiate his contention that indeed that licence was issued legally? If he has that legal opinion, let him table that in this House today.

**Hon. Jack Penner (Minister of Natural Resources):** Let me say that the reference that the Honourable

Member opposite has made continually to Garrison water flowing into the Souris River to make up water deficient flows simply stem from this section of the Act.

Section 5, subject to the provisions of subsection 2 of this section, the secretary is authorized to develop irrigation in the following project service areas of Turtle Lake: 13,700 acres, McClusky Canal; 4,000 acres, Lincoln Valley; 6,000 acres, Harvey Pumping; 2,000 acres, New Rockford; 20,935 acres.— (Interjection)—

**Mr. Speaker:** Order, please.

**Mr. Penner:** And I will continue. The—

**Mr. Speaker:** Order. Order, please; order, please. Order. For the Honourable Minister of Natural Resources' sake, I would like to remind the Honourable Minister that as I have indicated to the House previously, if I ask for "order" twice, your mikes are cut off. So it was all for naught, it was all for naught.

### Education Needs of Natives

**Mr. Herold Driedger (Niakwa):** Mr. Speaker, I will try to keep everything brief because we tend to be going over here with rhetoric.

The other day in this House—my question, pardon me, Mr. Speaker, is for the Minister of Northern Affairs (Mr. Downey). The other day in the House the Minister of Northern and Native Affairs said that he and his department were doing everything possible to try and make sure that the health, cultural and educational needs of the Native people were being addressed.

In view of this statement, does this Minister of Northern Affairs support the premise that health issues in the North have unique characteristics that cannot be equated with those south of the 53rd Parallel?

**Hon. James Downey (Minister of Northern and Native Affairs):** This Government appreciates that many people have many difficulties when it comes to dealing in northern matters, particularly with health and Native people, and one of the problems, of course, we are all very familiar with, and that is the transportation factor and the fact that they have to relocate to get education.

I can assure you my colleague, the Minister of Education (Mr. Derkach), the Premier (Mr. Filmon) and all our Government are very sensitive to the needs of the Native people and will be working to alleviate some of those long-term difficulties that they have been having.

### Health Care Needs of Natives

**Mr. Herold Driedger (Niakwa):** I did not quite hear that the answer addressed specifically the health question. So the supplementary question then, does the Minister support the premise that the provision of appropriate health services for aboriginal people does not adequately address the needs of urban Natives?

**Hon. James Downey (Minister of Northern and Native Affairs):** I can assure you that the Government is very well aware of some of those concerns and that is why my Premier (Mr. Filmon) and our Government have put in the Throne Speech this past year an urban Native strategy which will be one of the issues and concerns that are dealt with in the coming weeks and months.

**Mr. Herold Driedger:** I thank the Minister for those answers. I trust then that the Government having this will, the Minister will not only, on behalf of himself and his department, advocate on behalf of Northerners and their special situation, he will also advocate, with the full weight of the Government behind him, on behalf of urban Natives and their special needs as well. In fact, he and the whole Government will advocate convincingly on behalf of Manitoba's aboriginal people and ensure that now their collective colleague, the Minister of Health (Mr. Orchard), will amend the focus of, and amend the membership of, the Health Advisory Network so that it can deal specifically with the health needs of Native people in Manitoba.

**Mr. Downey:** As Minister responsible for Northern and Native Affairs, I can assure you that I am very much concerned that fair and equal representation has been made during our term of office and will be.

As far as the specifics dealing with that question, I would ask my colleague, the Minister of Health (Mr. Orchard), to deal with that specific matter.

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

### INTRODUCTION OF GUESTS

**Mr. Speaker:** Prior to Orders of the Day, I would like draw Honourable Members' attention to the gallery to my left, where we have with us today the Deputy Mayor for the City of Winnipeg, Mr. Don Mitchelson.

On behalf of all Honourable Members, I welcome you here this afternoon.

### ORDERS OF THE DAY

**Hon. James McCrae (Government House Leader):** Mr. Speaker, I move, seconded by the Honourable Minister of Finance (Mr. Manness), 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 Education; and the Honourable Member for Seven Oaks (Mr. Minenko) in the Chair for the Department of Health.

\* (1430)

**CONCURRENT COMMITTEES OF SUPPLY  
SUPPLY—EDUCATION**

**Mr. Chairman, Harold Gilleshammer:** I would like to call this meeting to order to discuss the Estimates of the Education Department. We are on item 4. Program Development Support Services (a) Division Administration: (1) Salaries \$200,400.00. Shall the item pass?

The Member for Flin Flon—pardon me—I believe the Honourable Minister had some information that was requested the other day.

**Hon. Leonard Derkach (Minister of Education):** Thank you, Mr. Chairman. Yes, I have some information to distribute here. These are responses to questions that were raised in Estimates on October 31, 1988.

The first is a list of schools not accredited with the department and the numbers of students attending these schools. Attachment 2 is the number of students in home schooling; attachment 3 is a list of board and commission members; attachment 4 is the teacher retirement projections and associated costs and other related questions; attachment 5 is questions regarding training for psychologists and other clinicians in sign language and other languages.

The percentage increase related to pay equity and administrative support salaries in the Administration and Certification Branch for 1988-89, being 4.9 percent.

Then there were a couple of questions on November 1. There is a list of grants paid out of (XVI) 3.(b) in 1987-88, which have not been paid in 1988- 1989; and the schools' role in screening children for vision, hearing and other special needs.

There was one other area which was asked prior to October 31. The total cost of the High School Review is \$169,000.00.

**Mr. Chairman:** Then to item 4.(a)(1) Salaries.

**Mr. Jerry Storie (Flin Flon):** Mr. Chairperson, I note in the information the Minister has handed out that he did not respond to the questions that were raised at our last meeting with respect to the changes proposed by the federal Government to the Income Tax Act and how they would affect teachers' pensions in Manitoba; and the more specific questions dealing with the concerns about those amendments that have been raised by both the Manitoba Teachers' Association and the Manitoba Organization of Nurses' Association, both of whom have copied the Minister, I believe, on their concerns and outlined them very clearly. I am certainly anxious to have that information before we conclude the review of the Estimates. I expect that is coming.

**Mr. Derkach:** Perhaps I misunderstood, but I think you will find in the package the Teachers' Retirement Allowances Fund Report to members and also a letter is included there from Mr. Buhr. I think that is the letter that the Member for Flin Flon (Mr. Storie) asked for. I am not certain, but perhaps he could be more specific

about the other information and we will certainly provide it.

**Mr. Storie:** I have to say that I am seriously disappointed in the response if this is intended to be the full response to all of the questions that were raised. I have a copy of the response of Mr. Buhr to the legislation and copies of the Teachers' Society letters to yourself and to the Minister of Finance federally. What I had asked for, given your reluctance, Mr. Minister, to support the concerns, to throw your support behind the concerns that they had, you had indicated that your colleagues at least had some concerns and certainly, after reviewing their speeches with respect to those amendments, I can understand why you are reluctant to intervene, but I had asked whether you had any specific concerns about the details, specifics of their concerns.

What are your objections? What is preventing you as Minister responsible for the Teachers' Retirement Allowance Fund Board from writing in a succinct and clear way to the federal Minister responsible for the amendments to the Income Tax Act and saying in unequivocal terms that you do not support it?

I am assuming that because you have not taken that initiative, nor have any of your colleagues despite the letter that went from yourself, I gather, to the Minister of Finance (Mr. Manness) provincially, I assume, since you have not done that, you must have some concerns which you could put in writing. What I had asked, I thought repeatedly, during our last session and the one previous to that, was for some concrete explanation for your reluctance to get involved in this issue and take a stand in support of teachers and nurses and the thousands of other Manitobans who will have their pensions negatively impacted by the proposed amendments.

You have given me a copy of the letter from Mr. Buhr to yourself and to Judy Balagus, the president of MTS, but you have given no explanation for your reluctance to get involved, and that is what I was specifically requesting.

In our comments, I had raised each of the issues, identified them for you with respect to the penalties to teachers retiring early if they did not have 25 years, with respect to the administrative complexity of the agreements and so forth. I want to know from this Minister and this Government why they have not taken on this challenge on behalf of teachers, specifically in writing.

**Mr. Derkach:** I did not indicate that I would give him my responses that I had given him here in writing, and all he has to do is read Hansard and he will see my responses there.

Secondly, I have indicated to him on several occasions while we were debating that issue, which has now been passed, that we were going to be consulting with the teachers' organizations. We were going to be meeting with the four Ministers and the teachers' organizations in order that they can express their concerns and their views, and we would listen to them and respond to

those things. That is the process that we have taken. It has not changed today. It is the same as it was the other day and my answers are still the same, Mr. Chairman.

**Mr. Storie:** Your answer may be still the same but it is still equally unsatisfactory. You have not answered the question of why you have not lent your support to these organizations. Is there no reason? Is that what the Minister is saying, because certainly he did not provide me with any rationale for his non-involvement in this important issue in previous discussions? I had assumed that there were some. Perhaps I was wrong.

If I am wrong, if the Minister has no reason for not lending his support, if there are no major discrepancies in the arguments put forward by the teachers and the nurses, then the Minister should say so. If the teachers and the nurses are correct in their concerns, then all he has to do is say yes, they are but I am not going to do anything.

\* (1440)

Certainly I had asked for specific information. In fact, I had asked the Minister directly several times repeatedly to indicate to the committee what the purpose of the Income Tax Act amendments were. The Minister did not respond to that question. I am still anxious to know if this Minister understands what the implications of those amendments are or if he cares. The only reason, I can assure the Minister, that we passed any of those items was because he gave us the assurance, at least I thought he gave us the assurance in our previous discussions, that those answers would be forthcoming and he would be reviewing it and providing us with the answers.

He certainly has not provided us with the answers. He has given us back the information we already had from both the teachers and the nurses about what the concerns were, but he has not addressed the question of why he has not acted. If the Minister wants to leave that and not respond, then I suppose that is his prerogative, but it certainly is not satisfactory as far as I am concerned as a Member of this committee.

**Mr. Derkach:** Mr. Chairman, I would like to respond. I guess we are talking about the same thing we had been talking about before. Certainly, although the Member for Flin Flon (Mr. Storie) does not wish to accept what I am telling him, that is just too bad. I am indicating to him that we are going to be meeting with the Teachers' Society. I am not going to be making a decision right now. I have not made that decision and neither has our Government in terms of ploughing ahead or plunging ahead in support or against that particular stand that the Manitoba Teachers' Society has taken.

Certainly, on behalf of their members, they have a responsibility to present their concerns to us as a Government. I have heard them. I have listened to them very carefully and certainly respect the views that they have expressed. I have also indicated to them that I think it is important for those Ministers who have some responsibility in this matter to hear their concerns directly. That is why we have structured the meeting.

Certainly, we have a long time before a decision has to be made on this because there has been a stay in terms of the way the legislation is going to proceed. Given that we have a year, we certainly have time to meet with the Teachers' Society and also other groups who will be affected to hear their concerns and also to be able to respond to them directly in an across the table conversation.

Although the Member for Flin Flon (Mr. Storie) would like us to be more direct and take a specific stand so that he can then once again in his role as Opposition attack us for the position that we take, I am going to tell him that we are going to make sure that we have all the information at hand and that we give appropriate time to this matter before we make any rash decisions. Those decisions will come, Mr. Chairman, true enough, but they are not going to be made without full consultation, which we promised during the election campaign that would be undertaken in all matters.

**Mr. Chairman:** On item 4.(a), Division Administration, (1) Salaries, shall the item pass?

**Mr. Storie:** Mr. Chairperson, I actually did have a couple of questions before we conclude that. I want to say to the Minister that I do not want him to act precipitously certainly. I am a little concerned that a matter that is this clear-cut and that has been communicated to him so succinctly should be still a matter that cannot be resolved in the Minister's own mind or amongst the minds of his colleagues. I remind the Minister that the first letter that he received on this issue, at least the first one that I am aware of, was May 30, 1988. It is not as if I am asking the Minister to make up his mind in a matter of minutes or a matter of days. It is more like a matter of months, half a year.

I will only indicate to the Minister that it is not only myself who is going to be dissatisfied with his answers. It is going to be thousands of teachers and nurses across the province who understand that they have just cause for concern, do not understand the motives of the federal Government in this, and apparently cannot get any answers about the motives of the provincial Government for their position. Be that as it may, we will, I am sure, have another chance to debate this before we conclude these Estimates.

When we last met, I was asking some questions about the discontinuation of the grants for the quality education initiatives. The Minister had indicated that none of those initiatives were proceeding under the direction of anyone specifically, but some of them had been transferred, or part of the responsibility had been transferred to a specific division or other divisions. I am wondering if he could indicate which of those initiatives may be proceeding under the guise of some other programming. There were programs that were designed to support small schools, and there was a program for modelling. Are there any of them that are still proceeding essentially in the form that they took prior to this spring?

**Mr. Derkach:** The programs that are continuing on their own initiative, I might add, are the networks of

schools, the linkages between schools for professional development. There were five networks of approximately eight schools each. The networks were supported equally by the respective divisions in Manitoba education.

The network themes that are still being proceeded on in their own initiatives are, No. 1, counselling in the transition from school to work, the implementation of Manitoba's language arts curriculum, the education of children with special needs, education in the middle years, instructional resource programs for immersion schools.

**Mr. Storie:** Does any one individual have responsibility for these initiatives or are they spread out amongst the different divisions in the department?

**Mr. Derkach:** There are three branches that have responsibility for these, first of all, the Bureau of Education Francais, Child Care and Development Branch, and Curriculum Development and Implementation Branch.

**Mr. Storie:** Are there any of these that the Minister would want to comment on in terms of their success or relative acceptance on the part of divisions? Are there any of these that appear to be gaining acceptance, have had significant results?

**Mr. Derkach:** I guess, to paraphrase it, there has been a mixed kind of response or reaction to the programs that were carried on.

Certainly, in the consultation paper on professional development, I guess the end result was that it provided a fairly effective planning framework for professional development in the future. The consultation paper on the appropriate education and student placement and parent involvement certainly does provide a framework for possible future legislation on parental involvement in the decision making in terms of where children with special needs are placed.

One other one that we think that perhaps has some significance is the workshop on management. These were sponsored mainly for superintendents. I guess the benefit there is that a number of superintendents enrolled in the workshops had indicated that they had gained some significant knowledge and skills because of the workshop that was conducted.

**Mr. Chairman:** Shall the item pass?

Item 4.(a)(1) Salaries—pass. Item 4.(a)(2) Other Expenditures, \$67,300, shall the item pass?

\* (1450)

**Mrs. Iva Yeo (Sturgeon Creek):** Oh, just a minute. Sorry, this is 4.(a), the bottom portion. I have no questions there.

**Mr. Chairman:** Shall the item pass?

**Mr. Storie:** Yes, there is one fewer positions, staff years, in Professional/Technical. What was the function of that staff year? -(Interjection)- 53?

**Mr. Chairman:** This is 4.(a)(2) Other Expenditures, \$67,300—pass.

Item 4.(b) Curriculum Development and Implementation: (1) Salaries, \$2,407,400, shall the item pass?

**Mrs. Yeo:** It is estimated that one child in 10—I have heard that ratio anyway—has a learning disability which interferes with him or her reaching his or her potential for learning. I am wondering what is being done to ensure that these children are being identified as early as possible and that teachers have the proper training and materials to respond to these children.

**Mr. Derkach:** The Early Identification Program that is both in the Curriculum Development and Implementation Branch and in the Child Care and Development Branch is all under the Child Care and Development Branch, and I am wondering whether the Member for Sturgeon Creek (Mrs. Yeo) would like to postpone her question until we get into that section when we could address that and also the special needs area.

**Mrs. Yeo:** In the initial request of multithings that I submitted to the Minister just prior to the beginning of Estimates, I asked for a list of the committees that would be activated this year and there is a fairly substantial list. Is the Minister telling me that each one of these committees—it is attachment 5 of the Estimates Debate Request that he provided to us. Each one of these committees will be meeting in '88-89 to develop concerns and subsequent recommendations?

**Mr. Derkach:** All of these committees are functional and they do meet at various times of the year and at various intervals, so I guess the short answer is yes.

**Mrs. Yeo:** I was under the impression that the Curriculum Development and Implementation Department of the Department of Education pulled out some specific areas each year that they sort of zeroed in on. That is why I was rather surprised when I looked at this fairly substantial list. Are there any special areas of concern to be addressed this year?

**Mr. Derkach:** There are three areas which will be addressed specifically or will be focused in on this year: Business Education, the Gifted Source Book, and the Core German Kindergarten to Grade 4; also, Mr. Chairman, Science, Kindergarten to Grade 9.

**Mrs. Yeo:** Two of the committees, perhaps it is my name that brings me to ask the question, but I was surprised to see the Chinese Curriculum Committee and the Chinese Advisory Committees here. I am wondering how many students are actually enrolled in Chinese classes in our public school system in Manitoba.

**Mr. Derkach:** Mr. Chairman, there are 97 students enrolled.

**Mrs. Yeo:** Would that be K to 12?

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**Mr. Derkach:** That is K to 9.

**Mrs. Yeo:** May I ask how many math consultants are there employed in the department now?

**Mr. Derkach:** If you can figure this one out, there are 1.75 math consultants. What happens is the three-quarter time is split between two individuals and we have one full-time math consultant. Would you like to know who the names are as well?

**Mrs. Yeo:** Yes, thank you.

**Mr. Derkach:** Mr. Peter Luba, Mr. Wayne Watt and Mr. Al Johanson.

**Mrs. Yeo:** Mr. Chairperson, do all consultants who are working in the Curriculum Development and Implementation area have a teaching certificate and teaching experience?

**Mr. Derkach:** Mr. Chairman, all consultants in the department have a teaching certificate and teaching experience with the exception of one and that being in the multicultural area.

**Mrs. Yeo:** I will get back to the multicultural area in a minute.

I am wondering how many requests for in-service assistance, in-service support come to the department that have to be turned down each year. I have heard that there is a great deal of assistance and I think one of the lists show the numbers of participants in various in-services that the department helps with. I am wondering if there are many and, if so, how many have to be turned down.

**Mr. Derkach:** Mr. Chairman, out of the 13,000 teachers who are serviced in a year, we do not turn down very many. The estimated number would be six that would be turned down in a year. If we cannot find the people in-house to do the programming, then we will go out into the teaching field.

\* (1500)

**Mrs. Yeo:** I do not see the learning disabilities listed as a key area. Since a learning disabled child is more likely to be identified in the classroom and dealt with within the classroom setting, and since there are, really, to my knowledge, no recognized programs for education teachers with L.D. children in Manitoba, I am wondering what in-servicing support is being provided to all teachers and in all subject areas at the various levels.

**Mr. Derkach:** There are two ways that these in-services are handled. First of all, Child Care and Development Branch will do the in-servicing on special needs, and they do a fairly extensive in-servicing for those teachers who are in the area of special needs. Secondly, in the core in-services in science, math or whatever subject that there are in-services on, added to the in-service or included in the in-service will be a section on the special needs area.

**Mrs. Yeo:** Can I ask the Minister, Mr. Chairperson, what is the major curriculum implementation conference that is going to be held this year that will be co-sponsored—and that is not including SAG which I know is planned by MTS every year—but is there another curriculum implementation conference that is being co-sponsored and presented this year?

**Mr. Derkach:** There was an in-service held, or one being planned—or a conference. I am sorry, it has been held. It was held in May and it was co-sponsored with MAST, MTS, etc. It was on Evaluating School Programs: "A Community Partnership" was the title.

**Mrs. Yeo:** Evaluating School Programs and—

**Mr. Derkach:** "A Community Partnership."

**Mrs. Yeo:** "A Community Partnership." Thank you. In providing consultation on vocational facilities and with career and work educational experience, are institutions other than the local institutions sometimes recommended?

**Mr. Derkach:** Other institutions per se are not utilized. There may be partnerships between industry and our college system, but in terms of using other vocational institutions, no.

**Mrs. Yeo:** But there are, I think, co-op educational programs that are being offered in the schools or through the schools that involve some local job centres, career centres, etc. I am aware of a few of these programs and I am wondering if the department does anything to encourage out-of-Manitoba co-op types of things, or just within Manitoba.

**Mr. Derkach:** No, we do not go out of province in terms of the co-op program. All the institutions that we work with are within the province in the delivery of the programs.

**Mrs. Yeo:** Could the Minister tell me what stage the International Baccalaureate Program is considered now? Is it considered still under the pilot stage, or just where is it at?

**Mr. Derkach:** Mr. Chairman, the International Baccalaureate Program has been on pilot now for some time and remains sort of in a pilot stage at this point in time. However, once we have had time to consider the recommendations of the High School Review, we will be in a better position to make policy changes with regard to the programs for gifted.

**Mrs. Yeo:** We have been hammering away and trying to pull out some of the recommendations from the High School Review. I assume that it must be just around the corner because we have been told it is on hold because of translation, etc., etc., but there are many people out there who have been waiting on pins and needles since the hope of having it presented in January of '88, which I think was its target time.

I was surprised to hear today or to see in the answers to the questions that \$169,000 was utilized by the High

School Review Committee to date. It was my understanding that \$25,000 was budgeted for it, so it is certainly well ahead of the game.

I have had many questions with regard to the International Baccalaureate Program, the difficulty that some students have in accessing the program because their particular school division does not offer the IB. Many students do not choose to take the entire IB, but they would be happy taking one or two courses specifically. I would certainly hope that has been addressed and I hope in a positive way by the committee.

**Mr. Derkach:** Mr. Chairman, I guess I kind of feel the same anxiety to have this High School Review completed as the Member for Sturgeon Creek (Mrs. Yeo). We are waiting for the final text to be prepared and the translation to be done. It appears that we may have it prior to the end of this month but, once again, I have made those statements before, only to find out that they say, whoops, there has been another little glitch and we are going to have to postpone the date. So I am almost reluctant to give you a date as to when that is going to be completed. Hopefully, we are getting very close to the time when we can table or at least have the High School Review received.

Yes, we do have a problem with students being able to access a program for gifted such as the International Baccalaureate Program, especially in the rural areas where students have no opportunity of accessing a program like that. There is certainly a deficiency within the city here in terms of the numbers of students who have access to such a program. We know we have to do something, but I think it would be premature for us to embark on a program before the High School Review is considered. Certainly, there has been a great deal of money spent on that document and time, and I think it is only fair that we give it consideration and be patient until such time as we do finally receive it.

**Mrs. Yeo:** I certainly do not question the Minister when he says he is not going to take a stab at when we will see the High School Review. I certainly would not want him to do that.

Who chaired the High School Review Committee?

**Mr. Derkach:** Mr. Ed Buller chaired the High School Review Committee.

**Mrs. Yeo:** Was that an appointment or was he elected by the Members of the review committee?

**Mr. Derkach:** I was going to say he volunteered, but that is not the case. He was appointed to the position by the former Minister of Education. That appointment was supported, I understand, by the committee at the time.

**Mrs. Yeo:** No reflection on the individual but I wonder if that—I guess the review committee is over, but I would sort of question whether that was an appropriate appointment, just to have somebody from the department. It seems to me that it would have been

better to have had someone who was not as closely aligned to the Department of Education perhaps sitting as the chair.

**Mr. Derkach:** I am not going to argue with the Member for Sturgeon Creek (Mrs. Yeo) on this one at all because I did not have any influence on who was going to chair the committee, and certainly that is something that the former Government, in their wisdom, decided was appropriate. I really would not want to comment any further on it than that.

**Mrs. Yeo:** I can assure you that I did not have any input into the decision either.

How many schools, can you tell me, are involved with the Advanced Placement Program in the province?

**Mr. Derkach:** There are three schools in the city that have the Advanced Placement Program operating in their schools. There are another two schools that are looking at it very carefully and examining the implementation of it.

\* (1510)

**Mrs. Yeo:** I was pleased to see, in my brief look at the response to questions, that there are opportunities for psychologists to become fluent in or to become even knowledgeable in the French language and that there was a bilingual reading clinician. Has there been any thought to purchasing seats at Laval or at the University of Moncton to assist individuals in implementing their French language? I have to ask this question because the MLA for St. Boniface (Mr. Gaudry) is sitting to my left.

**Mr. Derkach:** We would have to check the specifics of it. As the Member knows and as I indicated the other day, the Bursary Program had been cancelled for this year and it was not cancelled by this Government. We have committed ourselves to reinstituting the Bursary Program because it is 100 percent recoverable from the federal Government. Certainly, teachers are able to access that program. But I would certainly check to see whether or not psychologists as well would be able to access that kind of Bursary Program. Certainly, if they could, we would encourage that.

**Mrs. Yeo:** I have had a concern from a specific parent in Winnipeg 1 School Division with regard to the decrease in the contract for a teacher for the Core French or Basic French. I understand that in Rockwood School, in 1984-85, there was a contract for .83; in 1985-86, the same figure; in 1986-87, .75; in 1987-88, .66; and, in 1988-89, there is a .5 contract. I understand also that the enrollment for the Core French is maintaining at the same level. Am I in the wrong department again? I think it is under Curriculum.

**Mr. Derkach:** Mr. Chairman, I think we would be able to answer the specific questions more thoroughly if we would consider that kind of question regarding the French program in the BEF section, please.

**Mrs. Yeo:** I have several other questions with regard to French but perhaps I will save them for that particular time.

Is there any effort made by the Curriculum Development and Implementation Department to increase the multicultural content within the curriculum?

**Mr. Derkach:** Several things, Mr. Chairman, are being done with regard to multiculturalism. One of the more significant things, I think, is the in-servicing that is going on throughout the province with regard to multiculturalism. Also, identifying materials is an important aspect in terms of how materials on multiculturalism can be integrated into the various school programs that are in place right now. So those are some of the ways that the Multicultural Branch is doing its work.

**Mrs. Yeo:** I know that everyone wants to achieve a harmonious multicultural and multiracial society. There are changing racial mixes in our communities and certainly in our school communities, perhaps more in some parts of the province than in others. I would question that the curriculum goes far enough in assisting to develop a sensitivity in the students. I am wondering if there is a sort of a thrust, a movement in this direction.

**Mr. Derkach:** I can indicate, Mr. Chairman, some of the activities that are undertaken by the department with regard to multiculturalism. First of all, there is the promotion of Multicultural Week in Manitoba schools which has been going on for the last four years. In this program, there are posters and activity packages to highlight the importance of multiculturalism in our school system.

Second is the development of a Multicultural Resource Book of curriculum-related activities for teachers to use in their classrooms. There is the establishment of a Multicultural Educational Resource Centre within the Instructional Resources Branch, which houses materials on heritage languages and multicultural education.

There is the identification of multicultural content within existing curricula, and the provision of ongoing consultative service and workshops to school divisions throughout the province, which I mentioned in my previous answer.

So these are the kinds of activities that are being undertaken by the department right now. We know that certainly we need to encourage and do more because it is an area which we have to be very sensitive to and make sure that our students and our school system understand the importance of this concept.

**Mrs. Yeo:** Is there any departmental regulation directing the ratio of resource teachers per pupil in the individual school divisions, or is this the place to ask that question?

**Mr. Derkach:** In the Level 1 Special Needs area the ratio that used to be 1 to 325 has now been reduced to 1 to 160 and that may include, of course, your Special Ed teachers. That 1 to 160 can include, I think, three teacher aides to make up the one teacher, the resource teacher and all those other kinds of resources, and that block funding is meant to be used for those kinds of purposes.

**Mrs. Yeo:** What about a ratio for pupil to school counsellors.

**Mr. Derkach:** At the present time, there is no ratio for school guidance counsellors.

**Mrs. Yeo:** Just one question back, when you said that block funding was used, was supposed to be utilized to that 1 and 160, the Special Ed and the three TA's to one teacher, is that that Level 1 block funding that you are referring to?

**Mr. Derkach:** Yes, that is what I was referring to.

**Mrs. Yeo:** I just had a conversation yesterday with a school trustee from Assiniboine South who told me that their budget is now well over \$3 million in that Level 1 funding area, and that they will receive just over \$1 million. So I think there is certainly a need to address the differences there. I think that is an example of a school division and I think that probably if one were to question an administrator or trustee from any of the other school divisions in the province, the story would be very, very similar.

**Mr. Derkach:** Yes, and those kinds of things will be addressed through the Ed Finance Review and also there has been a Special Needs Task Force that is going to report to me very soon in terms of that kind of issue.

But we know the whole area of Special Needs funding and the way that we approach the needs for those students who have special learning disabilities will be addressed in the overall Ed Finance Review as well.

**Mrs. Yeo:** For some time now Manitoba has been, I understand, considering the development of a comprehensive exceptional education policy which would provide substantive provincial guidelines for school divisions, in addition, educational equity for all Manitoba school children, whether they live in rural or urban or remote northern communities.

Can you tell us if you have done any timetabling to look at the implementation of this sort of a policy for our exceptional children, or should that come under 4.(e) as well?

\* (1520)

**Mr. Derkach:** This again will be handled through the Education Finance Review and therefore there have not been any specific time lines set, although the department has been working on this very steadily and trying to come up with an Ed Finance approach as soon as possible. Now as the Member knows, the last Ed Finance approach, which was the Dr. Nicholl Report, took about two years to formulate and implement. Certainly, we do not want to be too hasty in moving through this whole exercise, and then not addressing perhaps some areas that need some special attention.

So because of the House sitting and because of the work that has been involved in the Legislature, we have not been able to give it the kind of attention that it

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requires in the last little while. But certainly, we will be doing that and, as soon as we have all of the details in place, we want to be able to share it with the affected groups and ensure that we are together, not just because we are a Party in Government but I think together as Manitobans moving towards a funding approach for schools that is going to be acceptable to all parties that are involved in the process.

**Mrs. Yeo:** I have some concerns about the number of illiterate graduates that come out of our high schools, not just my own concerns but I have spoken with some of the graduates themselves who state that they feel quite inadequate when they are faced with the so-called real world out there. Can you tell me if it is a policy or would it be an individual school division policy or if it is just hearsay that if a student takes a 00 course and they fail the 00 course that they are automatically granted graduation with an 01 certificate?

**Mr. Derkach:** No, Mr. Chairman, I think basically that is hearsay. We are certainly not aware of anything like that at the present time.

**Mrs. Yeo:** So the Minister is saying that if a student were to take Math 300, not pass the final mathematics exam, that they would not be granted a high school diploma that has the marks that say "successfully completed Math 301."

**Mr. Derkach:** Mr. Chairman, certainly that is not a policy of the department. However, it is conceivable that perhaps some school division, and I am not aware of any, may make that decision but certainly that is something that is not condoned or supported and is not a policy of the department.

**Mrs. Yeo:** Does the Minister feel that his department should have any direction to school divisions with this regard, particularly seeing that they have budgeted some \$300,000 towards studying the problem of illiteracy?

**Mr. Derkach:** The answer is, of course, yes.

**Mrs. Yeo:** I am certainly pleased to hear that because I would not want—I could see where that might contribute to the problem of the illiterate graduate if they were—instead of using the example of mathematics, if I were to use the example of English 300—if they were not successful, they would just automatically be granted a high school certificate with 301. I would certainly would not agree with that particular practice. I have heard in fact that does occur in some school divisions, and perhaps without the knowledge of the department.

**Mr. Derkach:** As I said, I am not aware of that. But certainly if the Member for Sturgeon Creek is aware, I would appreciate that information coming forth and we will investigate that.

I agree with the Member that certainly that is not giving us a very credible standard in terms of the quality of students that are turned out from our high schools.

If that is happening on more than just the exceptional basis, I would certainly be happy to learn about that so we could address this problem.

**Mrs. Yeo:** Just a couple of questions with regard to the AIDS education, I have seen, I have asked for and promptly received, from the Deputy Minister the curriculum for the high school teaching of this condition and how our young people should deal with it, etc. Is there any AIDS education package prior to Grade 10 that is given to the school divisions from the department?

**Mr. Derkach:** Yes, there are three other grade levels where this is given and that is Grade 7, Grade 8, and Grade 9.

**Mrs. Yeo:** I wonder if the example of that curriculum could be provided to us as well.

**Mr. Derkach:** Yes, of course. I think it was an understanding that you had received all of the package. If you have not, we would be most pleased to provide that for you.

**Mrs. Yeo:** What is the department or what is this particular portion of the Department of Education doing to try and come up with new audio-visual facilities, audio-visual tapes, curriculum material, overhead projection material, etc.? What is being done currently to come up with new innovative methods of teaching?

**Mr. Derkach:** I met with the AIDS Advisory Committee last night. I might say that we did discuss this entire area of audio-visual aids for this whole area. Certainly there are many materials available right now with regard to videos or films, and visual materials for this problem.

Within the department, we have the Instructional Resources Branch and the Distance Education Branch who do focus a lot of attention on the development of these kinds of materials.

\* (1530)

**Mrs. Yeo:** While I was attending, I think it was the Canadian School Trustee Association meeting in Prince Edward Island last year, I was very fortunate to hear Dr. John—I cannot remember his last name—give a presentation on the need for teaching of family life education as well as to teach our children about this new phenomenon known as AIDS. He said that his initial classroom input was at the high school level. Gradually he moved to the lower and lower grades and now he found that the best way of presenting both family living or family life education and to teach about AIDS was to begin at the early elementary school levels, that the TV is certainly broadcasting a lot about the disease, that young children are asking questions at an early age and, if it is taught, not AIDS, but if family living is taught as a sort of a norm from the early age, the children do not sort of fantasize about it and put it out as something unusual or naughty or whatever to discuss. Is there any consideration given by this department to implement earlier family living courses

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earlier in the school year and to begin teaching about AIDS at the Grades 1, 2 or 3 level?

**Mr. Derkach:** Presently, the family life education starts in Grade 5 and the AIDS program is delivered at the Grade 7 level. Certainly, consideration for moving it into the junior grades, the earlier years, is something that we will be looking at and that is one of the topics that we did discuss last night with the Manitoba Educational Council on AIDS. Certainly no decision has been made as of this moment, but it is an area that we will be looking at.

From a personal experience, I can tell you that as a father of a young son who is in Grade 3, because of the exposure of this on television and also in discussion with other students in school, he is certainly aware of the AIDS, at least in terms of what the word means and I can appreciate that in fact there may be a need to look very seriously at beginning exposure to this phenomenon at an earlier age.

**Mrs. Yeo:** The instruction on AIDS as set out by the curriculum department, is it a compulsory program, or is it like the family living program, one whereby the parent opts in or opts out?

**Mr. Derkach:** It is expected that all schools in the province will be, or are delivering the AIDS program. Certainly the indication last spring was that in fact 100 percent of the schools were delivering the program.

**Mrs. Yeo:** I think the Minister missed the sort of crux of the question. If they are delivering the program, is it compulsory for all students to take it or is it just provided and the parents choose to have their child attend or choose not to have their child attend?

**Mr. Derkach:** There is an opting-out provision for those students who do not wish to participate in that program.

**Mrs. Yeo:** Just I think one more question, can you tell me if the numbers of students opting for vocational education is increasing or decreasing within our province?

**Mr. Derkach:** Although I do not have the specific numbers at the present time, there is a general increase in the number of students that are entering and taking vocational programs.

**Mrs. Yeo:** I said I only had one more question, but then I found another page of notes, so if I can just keep on for just a few moments.

The Vocation Ed students, if it is on the increase, would some of these students be in the adult age or are these all the 18 and under?

**Mr. Derkach:** Mr. Chairman, there are both. Certainly, some of the students who are entering these programs are adults.

**Mrs. Yeo:** Can the Minister tell me if there is any movement toward decreasing or in fact totally

eliminating the teaching of home economics in our schools?

**Mr. Derkach:** Mr. Chairman, I can tell you that this Minister has no intention at the present time in eliminating the Home Economics Program in our school system.

**Mrs. Yeo:** I am absolutely delighted to hear that because I think there is some fear out there that this is in fact one of the thrusts of the Department of Education. Recently there was a consumer study done on the shopping habits of individuals and they did an age group thing. I guess it is one of these things where someone with a clipboard comes and attacks you in the shopping centre and asks you all kinds of questions. They found that the greatest increase by age in grocery shoppers was in the 12- to 14-year-old age group. That was not just to run in and buy a quart of milk or two, it was a 12- to 14-year-old doing the family shopping. Perhaps this has come about because of both mom and pop who are working and the extra responsibility is passed on to the children and they do a terrific job, I might add. Perhaps it is because of the increase in the single-parent families, I do not know, but I think all of that sort of thing comes into play when an individual is taught the subject of home economics or human ecology or whatever you want to call it.

The reason I am asking the question, and the reason I think that there has been a fear, is that there are several other junior highs or K to 9 high schools being built. I know of three or four within the urban area. All of them have been denied by the Public Schools Finance Board, which I know is not your area but the curriculum does hinge upon this. They have been denied the building of home economic rooms. Now, how can anyone get any other than the concern that the department is thinking about phasing out the home economics curriculum?

**Mr. Derkach:** Mr. Chairman, those kinds of decisions are really made by the division that is building the school. It has certainly not been a thrust by the department to discourage the building of those kinds of facilities and certainly not my intention to discourage the building in the hopes that this kind of program will eventually disappear.

Certainly, as I indicated in my previous answer, I would not support that kind of a move and, to my knowledge at the present time, there has been no specific or intended move to eliminate the home ec facilities from building programs. As I say again, it is really the decision of the school division in terms of the resources that are allocated in building or not building those kinds of facilities.

\* (1540)

**Mrs. Yeo:** Well, perhaps then I should contact these school divisions and have them contact the Minister of Education, because the concern that was stated to me and the response that they got was that they were denied pending the results of the High School Review. That is another pending the results of the High School

Review. We have heard lots of those. I wondered aloud why a K to 9 school, or a junior high school, would be denied the building of a home ec room pending the result of a High School Review, if the department were not looking at phasing out the home economics in the high schools and then saying there is no point in having them in the junior high. I can guarantee the Minister that in one particular school division the individuals with whom I spoke had asked specifically and had put in their plans the request for a home economics room.

**Mr. Derkach:** It is difficult for me to speak for the former Government and how they approached this situation and I would not even dare to, but I can tell the Member that certainly we have no intention of phasing out the program. Because we do not have any intentions of phasing out the program we are certainly not going to phase out the building of the facilities either, so I would be interested in knowing the specific case. I cannot say that we are simply going to reverse a decision that has been made some time ago, overnight, but certainly we are going to examine it and ensure that there has been due consideration given to that.

**Mrs. Yeo:** I thank the Minister for that response. I can assure you that after I have made a couple of contacts I will provide him with the school divisions and the schools themselves, because one individual was told that the response they got was pending the High School Review and also that the program was underutilized, when there was, I believe, 110 percent enrollment or student involvement in—I think it was vocational arts—and in the other, the home economics, they were three students short of having a 100 percent occupied program, that with three more students they could not accept any more, so I would think that was pretty good. I certainly can appreciate the Minister not wanting to speak for the previous Government.

I have had enough, okay? Your turn.- (Interjection)-No, I am done.

**Mr. Gilles Roch (Springfield):** Mr. Chairman, I just have a few questions for the Minister, through you. For children with their hearing impaired, The Society for Manitobans with Disabilities operates a preschool program for them. It has been quite successful although, like everything else, it could use some improvements. The problem is that once they get into school they are at a distinct disadvantage, especially for those out in the rural areas. Many of the families who have children in that situation would like to see an auditory verbal teaching method used here. It is a method which has been used with great success in other provinces and states in the U.S. for that matter, and its unavailability in Manitoba has been forcing many Manitobans to seek help elsewhere. Is there anything in the department, or is the department looking at any such program here for Manitoba?

**Mr. Derkach:** Are you talking about the ASL Program?

**Mr. Roch:** It is the auditory and verbal teaching method. It is a program which teaches children to develop their residual hearing by allowing lip reading and other cues

to be given. It is a very specialized program. It is available in Ottawa.

**Mr. Derkach:** This, I am told, is a program that is not available in the school system at the present time, although the preschoolers who are getting the program at the present time are coming into the schools and we do not have that availability or the capability, the department, the Child Care and Development Branch is certainly considering it and is going to be dealing with that dilemma.

Now, I have to inform the Member that although this is in the 4.(e) section or the Child Care and Development section, I am answering the question in hopes that if we are going to lead to more questions in this section, I would prefer that they be postponed. I would just have to say that although we have several sign language programs, this in turn is another one that the department is considering. It is very difficult to try and coordinate all of them into one single program.

**Mr. Roch:** I realize that. Many of the families which have such children right now are going to Ottawa at considerable expense, I must say.

The trouble is that Ottawa is not taking any more out-of-province children at this point because I believe the program is full up over there. As a result, some of these people have been forced to go to the Helen Beade Speech and Hearing Clinic in Easton, Pennsylvania. Just for a week there, the cost is \$1,000, not counting travelling and hotel, room expenses and meals. I was just wondering, if the SMD were given more funding they could probably hire more teachers and speech pathologists. Is that an item which is being considered at this time?

**Mr. Derkach:** This again is a preschool program. This whole new language or concept has just been sort of developed or parents have taken note of it in the last year. These are all preschool children yet. So the department is looking at and is considering it because we know that we will have to deal with those children in the next year or so.

**Mr. Roch:** Another possibility which might be looked at in order to be able to provide the program without—and I realize there are spending constraints—is the, I believe the correct term of that type of teacher is an oral habilitator. Is that the correct term? In any case, is there a possibility of funding to bring in such a person from Ottawa to teach here?

**Mr. Derkach:** When those children, who are now preschoolers, who because of that problem would fall under the Department of Health and not under the Department of Education, when they in fact come into the school, we know we are going to have to deal with that. That is why the department is exploring that at the present time. Certainly we do not have any children with that specific need at the present time. That is why it is just under review.

**Mr. Roch:** Within, I believe, a year or so, a year, year and a half from now it will be in the school system.

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So if I understand you correctly, there are studies or it is being considered by the department at this point. Am I correct?

**Mr. Derkach:** That is why we are saying we are exploring the program because we know that we are going to be accepting—those students will be in our school system in the next year. So therefore we have to address it now and explore ways of handling the situation and addressing it. The answer to your question I guess is, yes, we are looking at it. I cannot give you any more details than that at the present time.

**Mr. Roch:** Could I assume then to a certain extent that when these children do arrive at the school level that there will be something in place for them so that they can continue their education because they are obviously involved in some form of special needs?

**Mr. Derkach:** The individual needs of those children will have to be addressed as they come into the school system because we do not know where they are going to come, whether it is going to be in rural Manitoba or here or wherever it is going to be. But certainly, when they do come into the school system, those individual needs will be addressed.

\* (1550)

**Mr. Chairman:** Shall the item pass?

**Mr. Storie:** I have a few questions. I allowed the Member for Sturgeon Creek some latitude and she has certainly allowed me some latitude, but I will try and wrap this part of it up very quickly because we have a lot to cover in fewer and fewer hours.

The Minister has indicated to the committee that he is prepared to extend the 240-hour limit. I recommend that we adopt that as a formal motion. I so move, seconded by the Honourable Member for Sturgeon Creek. Fine. Thank you. Moved, seconded, carried.

**Mr. Derkach:** Mr. Chairman, if I can respond, we have 96 hours, I think, left. If the Member for Flin Flon would like to take the 96 or 95 hours, or whatever is left for Education I am quite prepared to stay here and so is my staff.

**Mr. Chairman:** Shall the item pass?

**Mr. Storie:** No, Mr. Chairman, not yet. I wonder if the Minister could first indicate how many of the Professional/Technical staff in this branch are assigned respectively to curriculum development and curriculum assessment. Is there a breakdown? Could we have a breakdown?

**Mr. Derkach:** Out of the 35 Professional/Technical staff, there are eight who are assigned to assessment.

**Mr. Chairman:** I recognized the Member for Flin Flon.

**Mr. Storie:** Thank you, Mr. Chairperson. Nominally the split in this 27 who are responsible for curriculum

development in (a)(2) are responsible for some form of evaluation of curriculum assessment. I am wondering if the Minister could indicate what the format of the curriculum assessment program is like at this point. I know that there had been criticisms of the way in which the data were provided back to school divisions. I guess the limited access of other parties, other divisions, other people interested in the educational process to the assessment made, I wonder if he could just give us a quick overview of whether there have been any changes and if there have been changes, what those changes are in terms of how the information is presented and who it is presented to.

**Mr. Derkach:** The basic format has not changed as the Member well knows, but I guess the Science Assessment, I could say, has just been released and of course we have some concern about that because it was administered in 1986 and we are just releasing it now. The Mathematics Assessment test will be ready in January, and the Writing Assessment, the preliminary report is out right now. In the social studies, assessment will be administered in the spring of 1989.

**Mr. Storie:** I was not so interested in what reports had been prepared or were in preparation. I was more interested in the format of the presentation when I was involved and subsequently have heard concerns expressed about the limited value of the information that is provided. Also, because of the nature and the concern expressed by the Teachers' Society and the divisional administration, there is limited circulation, so it limits the ability of divisions to compare. I know that comparisons can be misleading and that is one of the concerns. But I am wondering who now gets copies of divisional information with respect to assessment, who gets copies of provincial—more the total picture. Do copies go to teachers, teachers' associations, others with an interest in the system?

**Mr. Derkach:** Mr. Chairman, we will work at it backwards, I guess, from the last question asked. Presently the divisions get the assessments as they come out from the province. With regard to the limited circulation and limited value, I think we have recognized that certainly a lot more and a lot more effective ways of assessment have to be reviewed or have to be looked into. I guess the criticism, I have heard it certainly when I was in the teaching field and certainly I have heard it when I was in Opposition, and still do, that there is limited value especially when you get a report out in 1988 of a test that was written back in 1986.

Certainly a lot of work needs to be done to make sure that our assessments of these various programs are effective and that the reporting is done on a more timely basis to ensure that there is some value, in fact, of the assessment that is conducted. Presently, the division gets the assessment report and from there, I guess, if divisions want to share the information amongst each other, that is entirely up to them.

**Mr. Storie:** Perhaps the Minister could then provide myself and my colleague from Sturgeon Creek with copies of the Writing Assessment if that is ready. Any other assessments—I do not know if the Member for

Sturgeon Creek (Mrs. Yeo) is interested, but I would be interested in receiving copies of the assessments that have been completed, if that is possible.

The Minister indicated that the division gets the report. Does anyone other than the superintendent in a specific division have access to, or is the distribution of the assessment solely at the discretion of the division or the board or the superintendent?

**Mr. Derkach:** If the schools participate in the assessment, if all the students write the test, then the school division only gets those results. If there is the 10 percent sample that write the test, what happens is that those are scored and all school divisions will get the total provincial picture of the sample. Now if a school division wants to share its results with another school division, certainly that is up to them. I might add that the Member for Flin Flon (Mr. Storie) wanted the assessment results. We will give him the Science Assessment result which has been released and also the preliminary report on the Writing Assessment.

**Mr. Storie:** So the system is still the same then. Where a division gets involved only by virtue of allowing 10 percent of its students to be sampled, whether it is Grade 6 writing or whatever, all they receive in return for that is the provincial sample assessment?

**Mr. Derkach:** Right.

**Mr. Storie:** I guess the more important question, and I know that this has been going on and did go on through the early 1980s till the present time. I believe the Assessment Program started in its current form somewhere in 1978-79—'76, I am told. I am wondering whether we have any evidence that the divisions are in fact using this assessment material to re-evaluate either their curriculum or their approach to curriculum. I guess it is important for us to know whether this is having any impact down the road.

**Mr. Derkach:** I guess our only indication to date is that each year we see an increase in the number of school divisions that use the assessment test. Whether there are any significant improvements in terms of the programming, I really cannot tell you that.

**Mr. Storie:** Am I going to get a further answer? I was just waiting.

Mr. Chairperson, that may not be the best kind of indicator in the world. Obviously, the service is free to school divisions. It is the services provided. It does not cost them anymore to have 10 percent samples than 100 percent. I guess if one is going to go on anecdotal—they pay for the scoring, that is right—evidence, I would suggest that many divisions are not using the results in any consistent way.

I am not arguing that there should not be curriculum assessment. I am simply wondering whether it is time to revamp the way that we assess the curriculum to know what goals we want to achieve by this assessment. I had always felt, and I think there are some people who support the idea, that one of the areas we need

to assess more directly is the area of basic skills rather than curriculum. It seems to me the curriculum is only a tool to achieve the development of skills and we have, in this province, no formal way, no universal way, and perhaps we do not need a universal way, but there is no formal way of testing the basic skills that students develop as a result of going through this curriculum process.

The Minister's eyes are raising. I am not recommending or suggesting—never have, never will—that we proceed with something like provincial exams. That is completely counterproductive. What I am wondering is whether there is anyone out there asking for a method of assessing the skills of our students other than the traditional evaluation that goes on between students and teachers and schools and students. Is there any thought or any interest, I guess, on the part of the Minister in looking at that question more directly?

\* (1600)

**Mr. Derkach:** I guess this has been a concern of mine for some time, as the Member well knows when he was Minister of Education. Yes, it is time. I think it was time a couple of years ago to take a look at whether or not the assessment tests are really meeting the needs of what we really want to measure.

I think across Canada, Education Ministers have also pointed to the fact that we do not have very effective indicators in terms of the types of standards that we have in our school systems as compared to each other across the country and even as compared to other countries in the world. We know that students in Manitoba and across Canada are not only going to be competing against one another when they get into the job market, but also will be competing against the Japans and the Europes.

Therefore, I think it is very important that we have some sort of assessment that is effective in terms of giving us some idea of how our students are doing with regard to the skills that are being taught to them in schools.

I think that when you do an assessment, whether it is a standardized test or whether it is some other form, that you are not measuring the ability of an individual teacher in a classroom or you are not measuring the way that teachers are approaching education. I think that we all recognize that we have very professional people on staff in the province and probably some of the finest quality people who are delivering programs to students.

But the answer is yes, we have to undertake a very careful look at how effective the present assessment system is and we have to embark on ways in which we can better address this whole area of evaluating programs and evaluating how well our students are doing in the kinds of standards that we have.

A part of this of course is going to be addressed hopefully through the High School Review which will give us some indication as to how people out in the various parts of Manitoba feel about this concept, about

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standardizing the kinds of programs we are offering, about ensuring that we in fact have a quality of education that is offered in northern Manitoba that is similar or is equal to the quality of education that is being offered to in the urban centres and in the suburban areas.

**Mr. Storie:** I hope the Minister is understanding what I am saying because I am not talking about standardized programs at all. I think there is a fundamental difference between a student developing a skill, whether it is a reading comprehension skill or a math skill or a thinking skill. You can develop those skills around any material.

The material is really irrelevant and I hear the Minister talking about standardizing programs and I think that would be completely backwards. I have said on many occasions that the curriculum that we have developed now which is much more broadly based than it was 20 years ago, is progress. Trying to standardize it is the antithesis of progress; it is going backwards. The knowledge that we have available to us is expanding, and I do not want to have this confused with provincial exams or standardized programs.

I want the Minister to address the question of whether he has considered using the department and the professional staff to develop new, to use old measures of basic skills to refine them, use them. The Canadian Test of Basic Skills is an example of a test that has been Canadianized, but has the Minister or his staff done any work on addressing the question of how we assess skill levels across the educational system?

**Mr. Derkach:** No one is suggesting that we narrow the programming range that we have in Manitoba, but certainly what I was referring to was the fact that the skills that students are able to achieve in rural Manitoba and northern parts of Manitoba would be equal in terms of the quality, to the skills that perhaps are taught and achieved in the areas where we have lots of resources such as the City of Winnipeg, or the City of Brandon, or some of the suburban areas. So let there be no mistake about what the intent was here.

Yes, it has been time long ago—I would say that, when the Member for Flin Flon was Minister of Education, he should have addressed this certainly. However, that did not happen and we are not going to deal in the past. I think we have to take a look at the future and the things that have to be done today and this is an area that has to be addressed. But it is going to take some time to develop an appropriate approach so we do not do it in a haphazard way and so that we ensure that in fact it is meaningful process and that the results would come from it are also meaningful. So, I would have to agree with the Member for Flin Flon in that it is time to broach this topic and to ensure that something is done.

**Mr. Storie:** Could the Minister indicate then whether he is aware of how many divisions currently are utilizing standardized tests or divisionally developed tests to assess basic skills on a universal basis? How many divisions are using some form of standardized basic skills test?

**Mr. Derkach:** No, there is no way for us to know. We do not have that information in a specific sense. I might indicate also that I had discussed this very topic with Dr. Stapleton from the University of Manitoba today and the need for developing some sort of system whereby we would be able to have some idea of how students in various parts of the province are doing in terms of the skills that they achieve at the Grade 12 level. So certainly there are many people in the education field who are anxious to see something happen in this area as well.

**Mr. Storie:** I just hearken back to a comment the Minister made about not taking any initiative. I certainly did raise this question with staff and the people that are sitting beside him can confirm that it was an interest of mine, and I recognize that you cannot move quickly. We have an established practice and we have a very good system and you do not abandon it overnight—including the assessment system. It was developed with a specific rationale in mind and it has met a purpose. The question is whether we can expand it, change the direction somewhat.

I think from personal experience, and perhaps the Minister has had similar experience that the basic skills test, even though they were not always Canadianized and were not normed in Canada, were probably the most useful tool for myself as an individual teacher, in terms of developing an educational plan for a student. There are, I think, too few opportunities for teachers to learn how to use those and for school divisions to develop any sort of holistic program.

I would certainly be asking the Minister whether he intends now to follow up and to determine how divisions are going about assessing individual skills. What we are doing, what the department is doing—and it may be appropriate for the department to do this—is to assess and evaluate the curriculum. Perhaps we have a role in assessing the skill levels of individual students as well, at some point, for providing support to divisions who want to do that. Will the Minister take on that task over the next little while before the next Estimates appear before us?

(The Acting Chairman, Mr. Edward Helwer, in the Chair.)

**Mr. Derkach:** Mr. Acting Chairman, the easy answer would be, yes. But I think what we have to do is ensure that we research all the possible kinds of approaches in terms of evaluating and in terms of administering the appropriate types of assessments throughout the province.

I think the Member for Flin Flon (Mr. Storie) did hear in our election campaign that we were interested in the standards of education in the province and the quality of education in the province, and certainly we are going to be addressing this. As I indicated before—and as he alluded to that he was interested in it and had raised the question. However, it is a matter of carefully progressing and not doing something in a haphazard way.

So, yes, we are interested in it. I have already raised questions about it. I can tell you that we will be

proceeding with input, of course, from the education community. I think there is going to be that issue raised also when we examine the High School Review. So certainly, hopefully, that will be addressed in that issue as well.

\* (1610)

**Mr. Storie:** Two questions, No. 1, in terms of the High School Review, one of the paradoxes of the utilization of basic skills test is that elementary schools use them. The assumption has been that the basic skills will have been developed and consequently high schools, I think almost without exception, do not use—in fact, I am not even sure if there are commercial basic skills tests developed for high school. It is an area which has been vacated by the developers of standardized tests, and basic skills tests.

The High School Review may be able to address the question of what skills do we require for the 21st Century, but they are not going to address the question of whether the Department of Education is prepared to assess those skills. That is going to be the task of the Minister. I am hoping the Minister will take that task on because it seems to me it is something that has been overlooked. I can take some blame for not addressing it and other Ministers of Education can too, but the times they are a changing and we should be changing with them.

A more specific question on the same kind of a topic, I want it to be clear that when the Minister says that during the election we were wandering around talking about standards and the quality of education. I want to ask the Minister specifically whether standards include any intention on the part of himself or the Government to play with, flirt with, provincial exams?

**Mr. Derkach:** Mr. Acting Chairman, we are not going to flirt with anything. Our approach to education is far more serious than to be flirting with anything. We are going to be addressing the issue of standards and of quality of education. Up until this point in time nothing more has been developed. Certainly we are going to be taking a look at the tests that are already in place, taking a look at the objectives of those tests and how they are adhered to, and how school divisions react to them. After we receive a lot of this information, we will be able to embark on some specific programs. When the Member uses words like "flirt" and "play," that is not our intention in the department. Maybe that was his approach. It is certainly not ours.

**Mr. Storie:** I can only go by comments that I have heard previously and I know that in some quarters the words "provincial exams" and "standards" have political sex appeal. I was trying to get from the Minister whether he has any interest or any objectives in mind when it comes to the implementation of any kind of provincial exam system. If he chooses to not answer that question and not be forthright in answering that question, that is his prerogative.

**Mr. Derkach:** Mr. Acting Chairman, as I indicated just a moment ago, I have not given consideration to a

national or provincial exam per se, but we have not addressed the whole area of standards of education and of quality of education. I indicated before that we would be doing that. We are going to be taking a look at all areas. We are not going to exclude anything.

Certainly if a form of test that can be administered through the province to give us some information, whether it is an assessment test or basis skills test or whatever test it may be, we think is important to do and we think will have some importance in terms of determining the level of quality of our programming. I am not going to ignore that kind of an approach and, as I indicated before, I am not going to play with it. It is far too serious a subject to be toying and playing around with.

**Mr. Storie:** The answer to the extent that it was an answer has been duly noted and I am sure is on the record.

The question, now moving away from assessments, the question of curriculum development—I wonder whether the Minister can indicate whether there have been any new developments in this branch with respect to Native curricula, Native studies, the development of the Cree language, Salteaux language programs. I know the Minister is going to say well, that is in the Native Studies Branch, but there are, I understand, some supports in the Curriculum Branch, and I am wondering whether there is any activity on those fronts. If the Minister would rather wait we can wait. My apologies to staff.

**Mr. Derkach:** Mr. Acting Chairman, if the Member does not mind, if we could wait until we get into the Native Ed Branch, we will certainly address the question.

**Mr. Storie:** The Member for Sturgeon Creek (Mrs. Yeo) was referencing the IB Program, the International Baccalaureate Program. It sounded like she was following the tone of her Leader about the importance of this program. I am wondering whether the Minister or his department or, in fact, any division have come forward with a proposal to develop an enriched high school program, an enriched world studies program, as opposed to absorbing or utilizing what is in some circles seen as a more esoteric program, which the IB Program is, or elitist, perhaps even a different word. I am wondering whether we have the capacity or whether we are developing the capacity to improve the curriculum, provide enrichment in some areas to challenge gifted high school students.

**Mr. Derkach:** Mr. Acting Chairman, I think this will be addressed or, hopefully, it is a topic that will be addressed in the High School Review.- (Interjection)-

**Mr. Storie:** I am sorry I started that.

**Mr. Derkach:** Yes, I know. You should be very sorry about that. It is one of those other tasks that you started and did not complete, and we are still struggling with it. As soon as we get the High School Review in, I think it would be a little bit premature to be embarking on

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a lot of programs until such time that we have seriously taken a look at the review and its recommendations. I think then we can take some positive steps in developing some very worthwhile programs for the gifted and for special needs students and all the students out there.

**Mr. Storie:** I recognize now that the delay in the High School Review Report has served this Minister well because he has managed to lump everything into waiting until the report comes out. I am wondering whether the Minister could indicate whether he is familiar with the IB Program, whether he has had a chance to meet with groups like the Association for Bright Children, others who are interested in gifted education.

I know that there was a committee established to discuss special needs students, and they included both gifted and handicapped students. I am wondering whether they have produced a report, whether there are any recommendations forthcoming to deal with that question of enriched high school programming.

**Mr. Derkach:** Mr. Acting Chairman, I have met with the Association for Bright Children certainly, and discussed their concerns and received their brief. I am interested in meeting with all groups.

Certainly, within seven months of a mandate or six months of a mandate, you cannot expect a department to all of a sudden pick itself up and embark on a whole series of new initiatives. However, we do have plans. I have to tell you, we do have some plans in terms of the way that we have to address some of these very important concerns that are out there.

One of them is the special needs area that has to be addressed in the way that we support special needs students. Another is the gifted children. In terms of the demand that is out there, we know that we have to do something soon. Exactly what shape that program to address the needs of gifted children will take, I am not at liberty to say yet, but we will be addressing that over the course of the next few months. As we progress through it, certainly we will be keeping the people of Manitoba informed as to the progress we are making.

\* (1620)

**Mr. Storie:** It is gratifying to know the Minister has plans. I wish he would be so generous as to share some of those, perhaps even -(Interjection)-

**Mr. Derkach:** I am far more generous than you were.

**Mr. Storie:** —the limits of his plans. The Minister is indicating he has some plans specifically with respect to enriched high school programming, or is he supportive of the concept? I know you said you had plans, but I wonder if the Minister is supportive of the concept of Manitoba-developed enriched programming for high school curriculum.

**Mr. Derkach:** Mr. Acting Chairman, I have just indicated to the Member that we do have some intentions of

embarking on programs for not only the special needs and regular-type student but also for the gifted.

I might say that I am far more generous with information than the Member was when he was Minister. I know he would like to get all the information he used to when he was Minister. Being in Opposition, you know you are not capable or we will not share our plans until they are developed. Certainly, when they are developed and when we have them in a form where we are prepared to share them, we will do that as quickly as possible. Certainly, this is not a forum for us to debate our specific plans in terms of how we develop programs for the variety of students that we have in this province. But I can indicate that our intention is to embark on a program of development of programs for gifted, for special needs, and also for the regular student.

(The Acting Chairman, Mr. Darren Praznik, in the Chair.)

**Mr. Storie:** I recognize that the Minister may answer however he wishes. I do not wish to push the Minister into making an answer that he is ill-prepared for. I suppose we could go through each of the Estimate lines and ask, is there \$10 set aside for some planning here or planning there in a particular one. I will take the Minister's general answers that he has plans, and will leave it at that.

Moving on to another curriculum area, the Minister indicated that he met with the Manitoba Education Council on AIDS. He indicated that he would provide some material to my colleague from Sturgeon Creek (Mrs. Yeo) on the AIDS curriculum. I would like also to have that information if that is possible. I am wondering whether there have been any changes in the curriculum in the last several months, and whether the Minister is considering or has been asked to make the AIDS information available universally, whether the Minister is prepared to remove the optional status of the Family Life Program generally?

**Mr. Derkach:** I could say to the Member for Flin Flon (Mr. Storie) that in our meeting with the Manitoba Education Council on AIDS, we discussed a variety of things. I think I indicated some of the issues we have discussed.

No, I have no intentions of removing the optional section of the Family Life Program within the health curriculum. I do not think that we are prepared to do that at this time. Secondly, there have not been any changes to the curriculum on AIDS right now. Certainly, as new information comes down, we will include that in the programming.

I also might indicate that the Department of Health has been preparing a new pamphlet, which will be distributed widely across the province. This pamphlet is not going to have in it any significantly different information in that there is not that much new information at the present time to include. Certainly, current information will be included in that pamphlet. As soon as it is available, I would be happy to share it with the Member opposite and certainly will be looking forward to distributing it.

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Some of the areas, I might add, that the Manitoba Education Council on AIDS will be looking at in the next little while to keep the Members informed are the post-secondary guidelines. Certainly, the curriculum itself and the implementation of—we are going to be asking for some feedback from school divisions, feedback that was asked for when the curriculum was implemented and has not come back yet. Although we have had two or three divisions respond, we are going to be sending a letter out to ask for further feedback from school divisions as to what their thoughts are about the AIDS curriculum, so that we in fact are on track in doing what is right for the students in the province.

**Mr. Storie:** The Minister mentioned the subcommittee from the Manitoba Education Council on AIDS, the post-secondary group. I am wondering whether the Minister could indicate whether they have prepared pamphlets that are being distributed or have been distributed at our post-secondary institutions?

**Mr. Derkach:** No, Mr. Acting Chairperson. They have not prepared any of their pamphlets. The pamphlets that will be used will be those that will be prepared by the Department of Health.

**Mr. Storie:** I am not sure what tense the Minister is using, but “will be” does not sound like the past. Is the Minister saying that there is nothing available, there is nothing which has been prepared right now for this group?

**Mr. Derkach:** What was used last spring certainly, I guess, is still current and, if those informational packages or those materials are around, they are still being used. The new information is still not out, and I think that the Minister of Health (Mr. Orchard) indicated that it will be out before the end of the month. As soon as that information is out, we will be distributing it.

**Mr. Storie:** I have to say that I am extremely concerned about, I guess, the lack of initiative that this Minister has shown when it comes to promoting the educational interests of young people in this province. I have to say that I am not alone in that concern. I know that the Village Clinic, that members of the Manitoba Education Council on AIDS have expressed their criticism of the Minister for not meeting with them sooner. It was some seven months between meetings of the Manitoba Education Council on AIDS.

We now learn that not only is the Minister not taking prompt action when it comes to developing and promoting the information and dissemination of materials that are available or that can be developed in our schools, but he has done nothing when it comes to providing information to a very considerable portion of our population that is at risk. Those are the students at our post-secondary institutions. There are some 30,000 students out there whom we have to serve and this Minister has the responsibility to serve, and he seems to be taking an attitude towards this particular topic which is unfortunate.

I want to put into the record a letter that the Minister has received from a guidance counsellor at Gordon

Bell High School. The letter in itself is very instructive, I think identifies that this area needs to be profiled by the Department of Education. We are dealing with an extremely serious problem that according to some people has reached epidemic proportions. We have a serious problem that faces young people in particular, and yet this letter indicates that, at least for one counsellor and I am sure there are many others involved in supporting students across the province who feel likewise, while there was a good start—and this letter is quite complimentary of the assistance that Manitoba Education provided in the fall of 1987. But it goes on to say how dissatisfied he is with the fact that there has been nothing since, that she—I do not mean to use the name in committee, but this individual is extremely dissatisfied with the lack of initiative of this Minister.

\* (1630)

I want to indicate that in the final paragraph, this individual sums up by saying: “It dumfounds me that I, a middle-aged school teacher should be writing to the Government to beg for initiatives and appropriate programs to save my students’ lives.”

I think that there are many people out there who are concerned that this Minister’s own personal biases are interfering with his responsibility as a Minister. I know that the Minister may want to reflect on comments that he made when he was responding to the Human Rights Code debate back in July of 1987 where he said, “I do not want anybody teaching my children who is a homosexual.”

Mr. Acting Chairperson, I am not going to read other comments that this Minister has made with respect to the problem that is faced, not only by homosexuals but by many, many others in our society. This problem is something that this Minister has to address.

I hope for the sake of the 35,000 students plus who are in our post-secondary institutions and for the 200,000 students who are in our public schools, that this Minister is not letting his personal biases—and if I may say so, prejudices—interfere with the development and the dissemination of information on one of the most critical health problems this province has faced in generations. I hope this Minister is not letting his deviant views of the lifestyles of others—

**The Acting Chairman (Mr. Praznik):** The Honourable Minister, on a point of order.

**Mr. Derkach:** Mr. Acting Chairman, the Member for Flin Flon (Mr. Storie) is clearly imputing motives, and I wish that be stricken from the record and that he withdraw that comment.

**Mr. Storie:** Mr. Acting Chairperson, if the Minister takes offence at those comments and finds them too strong, I will certainly rephrase it.

**The Acting Chairman (Mr. Praznik):** I thank the Member for Flin Flon (Mr. Storie).

**Mr. Storie:** The Minister finds them offensive. I think that there are many hundreds of thousands of

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Manitobans who would find the remarks of the Minister on record on the debate of the Human Rights Code offensive. I am very concerned that the delays we have seen on the part of this Minister in meeting with the Manitoba Educational Council on AIDS, in developing material for our post-secondary institutions, in promoting the incorporation of this material into not an optional program, but a compulsory program to inform students, I am hoping that the Minister's biases in this regard are not at the root of this rather haphazard, lackadaisical approach to AIDS information and AIDS education.

I am coming to the conclusion that perhaps it is time that we had someone else responsible, perhaps the Minister of Health (Mr. Orchard), but he has equally as abhorrent views on the issue of homosexuality and the issue of AIDS education in the province, but someone else has to take the lead on this. My concern is that no one in this Government seems to have the will, perhaps the inclination, to do the positive things that need to be done to provide information.

Mr. Acting Chairperson, I want it on the record that I am not speaking for myself in this. I have had correspondence, I have had conversations with those involved in supporting AIDS victims, those involved in developing AIDS policy for this province, those involved in the development of curriculum who are equally concerned about the approach this Government, and if I need be more particular, this Minister has with respect to the AIDS curriculum.

I think it is time for the sake of Manitoba children that we have a compulsory AIDS education program in our schools. I do not think it is satisfactory to allow a haphazard approach to the problem because the Minister feels more comfortable with it. This is the single most important health problem facing young people today. It is causing psychological and physical damage, and clearly we have a responsibility and this Minister has a responsibility to attempt to deal with it in a more forthright way in the educational process. We need to do that.

Will the Minister provide assurances, will the Minister tell this committee what he is going to do to make sure that information is available, not six months from now, not when the Minister of Health (Mr. Orchard) gets around to it, but now.

**Mr. Derkach:** Mr. Acting Chairperson, I beg your indulgence to give me a little bit of time before I get some notes from my office to respond to some of the hideous comments that were made by the incompetence of the Member for Flin Flon (Mr. Storie).

Yes, Mr. Acting Chairman, I am not ashamed at all at what I spoke on Bill 47, and certainly I will reiterate some of my comments here today.

I also must say that the personal attacks that this member wants to make certainly do not belong in the curriculum implementation area. Just last night I met with the group from MECA which is far more often than what the former member, when he was Minister of Education, would do when he was requested meetings with groups. And we have some information on file,

because I was the Opposition critic at the time, which indicate that he would not even answer questions when he was asked, never mind meet with groups. But that being what it may, he is not in Government now so he is free to say a lot of things and he has the protection of the House to do it in committee.

**Some Honourable Members:** Oh, oh!

**The Acting Chairman (Mr. Praznik):** Order, please. The Honourable Minister has the floor.

**Mr. Derkach:** Mr. Acting Chairperson, in meeting with the committee, the Manitoba Education Council on AIDS last night, I have to tell him that in general the tone of the meeting was certainly positive. The council, sure, were concerned that we had not met since I had been sworn in as Minister and I explained to them that certainly they are not the only group that I have not met with, and certainly that does not indicate that the dreadful disease of AIDS is not important to us. Certainly, it is.

We have checked with other jurisdictions. We have checked with Ontario, Saskatchewan, Alberta, British Columbia to see what types of new information there is on AIDS which might be implemented into our curriculum. And to date, there are not any significant new programs that have been implemented in other jurisdictions. As a matter of fact, I am told that the Ontario program has not been changed significantly since it was implemented a year or so ago.

In addition, the implementation of the school program from Grades 7 to 12 is the jurisdiction of the school divisions. I have had a report that these school divisions have implemented it. As a matter of fact, 100 percent of the schools have the program functioning in them.

Additionally, Mr. Acting Chairman, we have some 700 teachers in-serviced in AIDS education last year and we are conducting in-services between the months of November and February of this year.

The AIDS policy with regard to handling students and personnel in schools has been adopted and has been sent out to school divisions. It has been called an interim guideline or an interim policy guideline so that if there are new approaches or are new ways of dealing with this disease we can then implement it within the curriculum.

The Member for Flin Flon (Mr. Storie) confuses the issue. He says that I had some comments to make about homosexuality in Bill 47 when it was introduced into the House. I have to tell you that AIDS education goes far beyond homosexuality; and as far as I am concerned—oh, he laughs at this, he thinks it does not, he thinks that it is confined to homosexuals, and I am telling you that it is not. And if he should get his facts together he will understand that certainly it is not confined to that.

I am concerned about the threat of AIDS because it threatens the lives of many of our school children who are in school today, many of our adolescents, and therefore I have some deep concerns about it.

\* (1640)

In our discussions with the MECA group, Mr. Acting Chairman, we also talked about the fact that there is a need perhaps to address not only the school children but to send more information out to parents, so that they can understand and perhaps there can be some discussions held at home. As a matter of fact, the parent who is representing the Parent-Teacher Association expressed some views about that which were very positive and indicated that there were some materials that she had seen that might be beneficial to the province, and the Advisory Committee will certainly taking a look at that.

I have to tell you, Mr. Acting Chairman, that it is very easy to pick out a specific comment from a speech that is made and then to throw it back. I guess I could go back through the records and pick some very nice comments that the Minister at that time or the Member for Flin Flon (Mr. Storie) has made and bring them to the House. Of course, we would see how that goes over.

I have to tell you that in my address on Bill 47 I said that I am in no way wanting to discriminate against anybody in society. Be they a heterosexual, bisexual or homosexual person, it does not matter. They have a place in our society. They have to be respected as anyone else is, and that was my approach in the speech that I made. But that does not have anything to do with the issue of AIDS. The Member for Flin Flon (Mr. Storie) in an attempt to embarrass me or whatever his motive is—and no one will ever know—brings that to this discussion. This is not the place for that kind of a discussion, Mr. Acting Chairman. We are talking about the AIDS education program.

He says he has received a letter from an individual and I have received a copy of that letter as well. This letter indicates that there was a request made of the Curriculum Development and Implementation Branch for assistance. I have to tell you there is no record of any kind of a letter of that nature. In addition, we have had no information about this letter, so therefore it is very difficult for us to respond.

I have talked to people across this province, to educators, in the last seven months, ranging from superintendents to principals to teachers. By and large, people are very satisfied about the curriculum and about the program that is being implemented. They are not telling me that we should be doing this or we should be doing that. Most of the questions that I have had raised in discussions with teachers, principals and superintendents are that we do need more in servicing in this whole area of AIDS. There is a concern about handling victims who are inflicted with AIDS in schools, and therefore we have to have some in servicing in that regard as well. That will be done this year. We are not renegeing on our responsibilities in that respect.

In addition, I have been in consultation with the Minister of Health (Mr. Orchard) who has a very important role to play in this whole area. We have discussed how we can better work between the two departments so that the information flow can be better coordinated between the two departments, and between schools and the public at large. That is why there is a new brochure being developed at the present

time and it will be in place in the next short while. Mr. Acting Chairperson, when the Member for Flin Flon (Mr. Storie) in his long dissertation makes all kinds of accusations which have no foundation at all, he is simply window dressing and is doing nothing but putting political rhetoric on the record.

I have to reiterate one more time that we have a very serious concern about the dreadful disease of AIDS. I have had no criticism from any individual member from the Manitoba Education Council on AIDS or from the Village Clinic personnel with regard to how we are approaching the issue, except for the fact that they had a concern that the committee had not met. As I indicated, our meeting last night was extremely positive.

Certainly they have been charged with a responsibility. An additional responsibility that they have undertaken is to examine whether or not the curriculum should be perhaps offered to lower grades. They are going to be making a study of this issue and will be making recommendations to the Minister. So when the Member for Flin Flon (Mr. Storie) says nothing has been done, he is certainly incorrect and really does not understand or know what he is talking about.

**Mr. Storie:** Mr. Acting Chairperson, the Minister suggests that I am trying to embarrass him. No. The Minister may in fact be embarrassed, but that is not my objective. My objective is to try and understand why this Minister has done so little, is apparently so unwilling to do more to protect the 200,000 students and the 30,000 or 40,000 post-secondary students in this province from a disease which he acknowledges is one of the most critical health problems that has faced our young people.

It is not me that is saying that the Minister has not met with the MECA for seven months. The fact is that he did not. It is not me that is saying that enough is not being done in the post-secondary institutions. I had a meeting with the presidents of the universities. They will tell you that there is very little, if anything, being done in most of our post-secondary institutions to inform young people about AIDS. Clearly there are groups telling the Minister that there is more that could be done.

The fact of the matter is that it is not me who is saying things have come to a standstill since this Minister took over his responsibilities. Again, reading from the letter that I received from a guidance counsellor, "Last year, I felt that we had made an excellent start and we are doing some first-rate preventative work. I was proud to be working for a school division in a province that was taking initiative and giving leadership in AIDS education." It goes on to say that he attended a conference. "When I came back I asked the Minister," and the Minister has acknowledged that this letter says that there was a request for some assistance. He says he never received the letter, but he goes on to say that since then nothing has been done. We have lost the initiative.

Who has to take responsibility for the fact that we have lost the initiative? The Minister of Education (Mr. Derkach) has to take responsibility, or the Minister of

Health (Mr. Orchard) has to take responsibility, but somebody has to take responsibility, and it is not good enough to say the Member is smearing my good name. The Member's own words smear his good name and if he can tell this committee that I do not want anybody to teach my children who is a homosexual is not a bias that may not be reflected in his attitude towards providing information to children, then I do not know what is.

The Minister tried to imply that somehow I had suggested that only homosexuals have AIDS. Certainly I know better than that, have known better than that for many, many years. This Minister has tried to point the finger at one group in our society and did so in his speech. I am not going to read his comments because it would serve no purpose. Just suffice it to say that the comments speak for themselves, not only—

The Member for Gladstone (Mrs. Oleson) has encouraged me to read it into the record and I will. "And Lord knows, . . . I cannot see how I could ever stand for having a homosexual being a role model for my children . . . Madam Speaker, we have seen enough evidence throughout our province that shows that there is a tendency for homosexuals to perhaps influence small children, especially boys."

If those are not abhorrent remarks and remarks that came from the current Minister of Education, then I do not know what is, and all I am asking is the Minister to assure this committee that those sentiments, those beliefs, however abhorrent they may be, are not influencing this Minister's intention, this Minister's actions when it comes to developing curriculum and providing information for young people in this province. That is a legitimate concern.

It is not me who has brought this concern to the attention of the public. The fact of the matter is that other people have been saying the same thing. We are losing the initiative and it is not acceptable to the groups who have worked night and day to spread information amongst those at-risk categories. It is not any comfort to those groups who have worked to develop information, encouraged the Government to get information out to not only school divisions but to those who do not attend compulsory classes, or classes, not compulsory at this point, but classes on AIDS education.

There are thousands and thousands of students in clearly at-risk groups in the prime of their life, young people who need information who are not getting it. This Minister wants to say we do not have any new information because we do not have anything concrete in the way of additional information to provide people about AIDS. That is very true and I respect the fact that the facts on AIDS may change over time, but we certainly have a good understanding of what AIDS is and how it is transmitted and what you can do to protect yourself. That has not changed very much since 1980.

When is the Minister going to provide the kind of dollar support that is required to get that information out there? He cannot wait for the Minister of Health (Mr. Orchard). Perhaps the Minister can enlighten us, what has he done on the campuses of our universities and the campuses of our community college to provide

the necessary information? Does he know what is going on? Is he prepared to say, yes, let us commit another few hundred thousand dollars to providing that information in a timely way to those people? The Minister was indicating—and this is somewhat off the topic—in response to the question from the Member for Sturgeon Creek (Mrs. Yeo), the question of the cost of the High School Review, he said \$169,000.00. Well, there is \$300,000 being wasted on a Task Force on Literacy. Can he provide some of that money to produce pamphlets and individual information for our students at our community colleges and universities? Can the Minister indicate what he is going to do?

\* (1450)

The fact of the matter is that we are losing the initiative. We are losing momentum, and the problem is not going away. Maybe it is something this Minister wants to sweep aside because of his attitudes, but the problem is not going away. This Minister can speak soothing words on how he met and it was a nice meeting. These people want action just like the rest of the province wants action. The Minister says 700 people were in-serviced in the previous year. How many people are going to be in-serviced this year? Is the Minister going to take the initiative and make sure that every school division is giving this information to its students, whether it be at Grade 5 or Grade 7 or Grade 9. The current practice is at Grade 7, and the Minister says that the question of the age level of providing the information is under review. That is fine.

Can the Minister assure us that every student will have access to that kind of information across the province? Is the Minister interested in making sure that happens?

**Mr. Derkach:** Well, Mr. Acting Chairperson, I have not heard anything quite so ridiculous as we have just heard a moment ago. With regard to the meeting with the Council on AIDS, I have to indicate that the Post-Secondary Council on AIDS has been working all summer, as a matter of fact, for the information of the Member for Flin Flon (Mr. Storie). They have just recently completed the Guidelines for Post-Secondary AIDS, and that has now gone to the Manitoba Education Council on AIDS and will be considered, and then will be brought to my attention or recommendations will be made from them.

So, Mr. Acting Chairman, when the man from Flin Flon froths at the mouth and indicates nothing has been done, he really does not know anything about what he speaks.

With regard to community colleges and universities, yesterday when we met with MECA, on the council was the student union president, the former student union president. I asked specifically the question about what programs, what audio-visual materials were available to post-secondary institutions. His remarks, Mr. Acting Chairperson, were that they were very satisfied that there were good visual aids available to the community college, to the post-secondary institutions, that in fact there was a great deal of information about the disease of AIDS available to the community colleges and they

were quite satisfied, so the work goes on. We are not stalling, there has been no stall in the programming, the programming continues.

The Member for Flin Flon (Mr. Storie), in addition, does not know what he speaks about when he talks about implementation of the program in our schools. I indicated in my previous answer that 100 percent of the schools have implemented the program on AIDS as of the spring of 1988. So again, he is wrong, like he is wrong about everything else.

When he talks about, Mr. Acting Chairperson, meeting with the university presidents, I have met with the presidents from the universities on several occasions, and certainly they have not given me any kind of disastrous indication that the problem over there is what the Member puts on the record, because it is not. The materials are available, the post-secondary program is now being looked at. Certainly, when he was in Government, he started the High School Review. He could not complete it and it still, unfortunately, has not been completed. So that is the speed that Member moved at.

I would like to quote from the speech that I made, Mr. Acting Chairperson, just for the record. He puts some things on record, but he does not put everything on the record. I would like to say: "As I said, Madam Speaker, there is no intent to discriminate against anyone, and I have no wishes to victimize homosexuals or lesbians. They have the same rights and freedoms and have to enjoy those same rights and freedoms in this particular province in this country that we do. This is a great country, a great province, but if we do not preserve the foundations and the principles of this province this country was built on, this country will fade into destruction. I must say in that regard that, if we do not address this dreadful problem of AIDS—Canada has the second highest per capita AIDS infection in all the developed world."

So we know that the threat of AIDS is certainly a very serious one. The Department of Health and my department are working on it. We are trying to keep as current as we possibly can on information that is coming down.

With regard to AIDS instruction, Mr. Acting Chairperson, I would just like to read into the record what is being planned for this year and what has been done in the past.

The branch is planning one-day workshops for training of teachers in AIDS instruction, and this will be available to Grades 7 and 12 schools during the 1988-89 school year. The workshops will be led by qualified personnel from Manitoba Health, in Manitoba Education, and supported by local medical professionals.

Close to 700 teachers from all public school divisions as well as a number of private schools and Indian bands have already received training in AIDS instruction during the early part of the year. These in-services were planned to coincide with the introduction of the AIDS Program and further in services are going to be held this year.

The goals of the AIDS instruction workshops are as follows: to ensure that school division delegates have an adequate grasp of the factual information pertaining to AIDS; to familiarize participants with the contents of the Manitoba Education teacher support's materials on AIDS; to present information and encourage discussion on methods and techniques whereby participants can act and supports and resource persons for other staff colleagues.

In addition, Manitoba Education will be sending all Grades 7 to 12 schools in early September, of course, a copy of Surveillance Update AIDS in Canada, which was issued by the Federal Centre for AIDS in Ottawa on July 4, 1988.

In addition, Mr. Acting Chairperson, I have to say that last night we discussed the fact that we have to make this material available to all the independent schools in this province, and certainly the desire was expressed, and I concurred, that we have to make this information somehow available to the Indian band schools, who are not under the jurisdiction of the province. But nevertheless, these are the citizens of our province and we certainly have to make sure that they have the most current information and that information is factual, is straightforward, and does not in any way mislead anyone.

So therefore, Mr. Acting Chairperson, I have to say that certainly, although in the opinion of the Member for Flin Flon (Mr. Storie), who is so ill-informed, he maybe have perceived that nothing is being done because he is not in the limelight. But certainly the work is going on and it will continue to go on.

Sure, there will be criticism of the program. There was much criticism of what the former Government did and that is I guess why they are in Opposition today.

But certainly we are progressing with the work as quickly as possible and providing the information that is current to the people that need the information. And, as time goes on, we will certainly be embarking on new video programs that we can access to make sure that that information is available to both elementary, post-secondary and the adult population of this province.

**The Acting Chairman (Mr. Praznik):** The Member for Flin Flon (Mr. Storie), I would just indicate I believe there are about three or four minutes to go and if we could split that time, if we could agree, so that there is a chance to the question and answer. Would that be possible?

**Mr. Storie:** Mr. Acting Chairperson, the committee continues its work ad infinitum, if necessary, so I do not see that that is necessary.

The Minister has indicated, tried to improve his circumstance, reduce his embarrassment by quoting himself, saying that he has no intent to discriminate. On page 3727 of Hansard, and of course, less than a page later he is saying that he does not want anybody teaching his children what a homosexual is and he does not want a homosexual teaching his children. If that is not discrimination, if that is not a contradiction of his own words, I do not know what is.

But that is not the issue. The issue is that this Minister, and he is suggesting wrongly, is being criticized for not proceeding with initiatives, with new initiatives in terms of getting information out. He reads into the record what the department is doing. I respect the fact that the department has an agenda.

My concern is that the council that was established to broaden the attack on the disease, to broaden the efforts to get information to the public, has been scorned by this Minister. It has not met for seven months. The fact is that there are other people, and not simply myself as a lowly Opposition critic, who perceived that the momentum is being lost.

The Minister has an indication, and I want to say that I hope for the sake of all of those young people, the people who need this information, that the Minister's biases are not getting in the way. There are many who have that suspicion and the fact that this Minister acknowledged that there is more to be done is instructive.

I hope the Minister can tell us when we meet again that he has put some additional dollars on the table. Does the Manitoba Education Council on AIDS have money to produce material, additional material? There are always new ways to get information out to these groups. Is the Minister taking any of the money that he has made available for other, in my opinion, less desirable activities and made it available to these groups? The Minister keeps saying, yes, we will have something more down the road.

I also would like to know whether the Minister is interested in making the Family Life Program compulsory. He said no, he is not, yet he is assuring us, he is assuring the public that 100 percent of the students who are out there have access to this information. I am not sure he can make those assurances with such certainty, and everybody, and I think the Manitoba Council on AIDS would also tell him that it is important background information in the Family Life Program that needs to be there, to make that information effective.

\* (1700)

**The Acting Chairman (Mr. Praznik):** The hour being 5 p.m., it is time for Private Members' Hour. Committee rise.

\* (1420)

## SUPPLY—HEALTH

**Mr. Chairman, Mark Minenko:** I call this section of the Committee of Supply to order. We are considering the Estimates of the Department of Health, presently on item 1.(d). Is the section prepared to pass this item?

**Mr. Jay Cowan (Churchill):** The other day at the conclusion of the Estimates review, I had asked the Minister what I thought was a relatively non-provocative question with respect to if his department has done any research with regard to the potential impacts of the Free Trade Agreement on medical care and on the health care system in the Province of Manitoba.

The Minister immediately launched into a tirade, the likes of which I have not seen in this House for quite some time. I have to tell you, Mr. Chairperson, that at first I was relatively amused because I have seen the Minister feign hysterics in the past and he is always quite entertaining when he does so. I thought, in this particular instance, that he was again feigning hysterics and I thought that the wild waving of the arms and the gesturing that got somewhat frantic and uncoordinated toward the end of his presentation, and the way in which he was spitting his words out—

**Some Honourable Members:** Oh, oh!

**Mr. Chairman:** Order, please.

**Mr. Cowan:** —the way in which he was spitting his words out and the venomous nature of his comments were all part of an act with respect to his concern about free trade. I do not believe that to be the case right now, after having watched him leave the Chamber and chatted with him briefly on his way out, indicating to him that if there was any Leader that had to worry about comments that they had made previous to an election and after an election, it was probably Brian Mulroney with respect to the sacred trust syndrome and what they did to pensions and health care after they became Government in comparison to what they did say they were going to do about health care before they became Government.

But that inconsistency, that hypocrisy on the part of another level of Government, the Conservative federal Government, was skillfully ignored by the Minister in his comments. The fact is he really did not answer the question however, either in his comments to the Chamber or his comments which were also quite vindictive and quite searing on Liberals and others, as he left the Chamber, with respect to what research the department has done to determine if there are any potential negative impacts of the Free Trade Agreement on our health care system.

So I would ask the Minister today, and I welcome him to again rise to his feet and go into the type of hysterics and histrionics that he did the other day but, in doing so, would he please use the occasion, as well, to answer the question, has he, or has his Government, or has his Research and Planning Section undertaken any research with respect to the potential impact of free trade on Manitoba's medical care system and health care system, and if so, can he table that?

**Hon. Donald Orchard (Minister of Health):** I am almost flattered by my honourable friend's latest comments, but there is only one thing that I have to really correct him on. As I left the Chamber, my honourable friend from Churchill (Mr. Cowan) and I did get into a discussion. The remarks that I made, to which he now seemingly objects and indicated were sort of caustic in nature, the only incorrect part of that was that he indicated they were directed at Liberals and others. I did not direct them at the Liberals. I directed them at the Member for Churchill and he knows that full well, because the Member for Churchill has a very peculiar approach to political issues in this country.

Let my honourable friend rest assured that given his federal Leader's attempt, and as I pointed out Tuesday afternoon, aided and abetted by the Leader of the federal Liberals, they are attempting to raise the fear level in terms of the Free Trade Agreement to include implications that the Free Trade Agreement has a major negative impact on the ability to provide health care services, Medicare, in Canada. That is an interesting perspective and I can understand from a purely political standpoint that that would be the approach of the Opposition Parties because that is an emotional issue. It raises fears.

It is not unlike the kind of whisper campaign that in provincial elections when, as the Progressive Party, we have campaigned in various areas of the province, particularly in personal care homes, etc., where we run into constantly, and my honourable friend, my former colleague, the Member for Springfield (Mr. Roch), knows this better than anybody does, of the kind of whisper campaign that New Democrats can go into, saying that if you elect a Conservative Government you will be turned out of this personal care home, etc., etc.

My honourable friend from Springfield (Mr. Roch) is objective on this because he does not have a particular axe to grind to defend the Progressive Conservative Party anymore. He knows full well that is the kind of whisper campaign that New Democrats use upon occasion, during election time, to throw the scare and the fear of uncertainty and the unknown into senior citizens. Now I am not indicating that my honourable friend personally had done that, particularly my honourable friend from Churchill (Mr. Cowan) who has displayed his integrity all the time in this House. I am not saying that he personally ever did such a thing, but our campaigners and our candidates constantly run into that. That is the kind of innuendo that the NDP have tried to put out in a fear campaign to make senior citizens, particularly, afraid of the future under a Progressive Conservative Government.

Those fears have never been founded because no senior citizen has been thrown out of their personal care home bed upon the election of a Conservative Government, nor will they ever be. But it is the kind of fear campaign that serves the narrow political purposes of the time for the New Democratic Party. Again, during the federal campaign, that is exactly the style of campaign that my honourable friend's federal counterparts are undertaking.

Mr. Broadbent is saying that social programs are on the line with the Free Trade Agreement. Mr. Chairman, the Free Trade Agreement has no bearing on our ability in this province or in this nation to deliver our Medicare program as a Government program. It is not anywhere near the Free Trade Agreement. It is not part of the Free Trade Agreement. Medicare will not be affected by the Free Trade Agreement. That is the cold, hard, bottom line.

I know that it makes for good script to say that it is going to be destroyed by free trade, but that is simply not factual. In the bigger picture, there is no question that free trade will have an impact on our ability to deliver Medicare.

(The Acting Chairman, Mr. Ed Mandrake, in the Chair.)

It will not stem from the fact that any provision in the Free Trade Act applicable to health care and the provision of Medicare because no such provision exists, but where free trade has an impact on Medicare is in providing Government with increased financial resources to fund future Medicare because that is really where we are down to in the most simplistic and basic of terms of the Free Trade Agreement.

\* (1430)

The Free Trade Agreement presents to Canada and the Canadian business the economic opportunity to grow. I need remind no one in this House, and I even think the Member for Churchill (Mr. Cowan) understands, that you need economic growth, you need employed people paying taxes to the provincial and federal treasuries in order that you provide any service, most important of which being health care. It is the Free Trade Agreement that will allow us to have an economy that does not stagnate but in fact an economy that grows to provide future revenues to provide into the future our ability to provide Medicare.

It is from exactly the opposite standpoint of Ed Broadbent's and John Turner's attack that free trade is going to impact on Medicare in Canada. It is not going to impact on Medicare negatively as John Turner and Ed Broadbent say. It will impact positively from the standpoint of the revenue generation from increased business activity, economic growth and investment in Canada and in Manitoba, and increased job creation in Manitoba to provide the taxation revenues to fund Medicare and social programs well into the future.

So it is the exact converse that will be the impact of free trade on our social programs than what Broadbent and Turner are saying. It is not the negative of free trade, it is the positive of free trade which will help us as a nation provide social programs and Medicare to the citizens of this country.

**Mr. Cowan:** Mr. Acting Chairperson, it is quite interesting to see what an 18-point drop in the polls in one week will do to Members opposite, the Conservative Members in this House, because they have suddenly struck out in all sorts of vicious and vindictive and venomous ways with respect to anyone who suggests that there might be some questions with regard to the impact of free trade on our health care system.

I asked the question five times of the Minister directly and I will ask it a sixth time: can he table any analysis which his research branch has done with respect to the impact, potential or otherwise of free trade on our health care system?

In all the times that I asked the question, I did not once say "effect on Medicare," although I believe there is a potential for an effect on Medicare, but I put that aside for the time being to talk about the more global issue: impact on our health care system. I have either said impact on our health care system or impact on our medical care system.

The one nice thing about having Hansard available is not only can you quote back to the Minister, when

he goes on a tirade like he does, some of the very silly things he says, but you can also very clearly substantiate your own wording. My own wording in this case has been very carefully chosen because I want to know from the Minister if the department has done an analysis on the impact on the health care system generally. So I would ask him the question one more time. Have they done any analysis?

It may be that they have done an analysis which leads to a positive conclusion such as the Minister has just suggested is the case. If they have that analysis, I would like to see it. Or it may be that they have done an analysis that leads to a negative conclusion and we would like to see that as well if that is the case. We would like to see all the analyses if they have done them. They may well have done an analysis that said, Hey, we have looked through this whole Free Trade Agreement, it is very complex, it has got different issues contained within it, and it is somewhat open in its approach at this time because there has to be ongoing negotiations over subsidies and other issues, and all we can do now is lay out some of the questions which should be considered over a period of time as this Free Trade Agreement starts to unfold if in fact there is ever an opportunity for it to unfold.

So I would ask the Minister: has the department done any sort of analysis of that sort and, if they have, would he be prepared to table them so that we can all share them and have an informed, intelligent debate on free trade, on the issues of free trade and not have to resort to the type of rhetoric, which the Minister has to resort to every time we ask him the question?

**Mr. Orchard:** The Honourable Member is convinced in his own mind that there is this negative impact on Medicare and on our health care system and on health care delivery. But yet, my honourable friend, if I were to ask him to table his analysis of the Free Trade Agreement which points to that, it would not exist because, if it did exist, you can bet that my honourable friend at the start of the election campaign would have tabled that kind of an opinion. Do you know why it does not exist? Because as has happened throughout the debate on this, and the debate is getting very vicious on the federal scene - (Interjection) - My honourable friend from Churchill (Mr. Cowan), I do not know what strikes his paranoia but he says, it does not have to be here. He keeps interjecting and rambling and babbling from his seat.

I listen constantly to his dissertations. I am not particularly enthused and pleased to have to listen to them but I do. I do so without interruption. I would simply, as a fellow parliamentarian, ask him to give me the same courtesy, if it is possible within his parliamentary etiquette to do so.

As I say, my honourable friend throws up the straw man that there is this danger to Medicare. He does not have any analysis of the Free Trade Agreement which he can table that demonstrates that because, if he did, I could have it refuted completely. That is why he would not table such a thing: (a) because it does not exist; and (b) if it did exist, it would not be a factual assessment. So in my honourable friend's style of

attack, he throws up the straw man of the destruction of the health care system because of the Free Trade Agreement without one single basis of evidence to justify that, and then asks me to prove his wrong allegations are not so. That is not the way it works.

The Free Trade Agreement has been analyzed by the federal Government, it has been analyzed by the department. Research and opinions have come forward which indicate that the Free Trade Agreement does not inhibit our ability to deliver Medicare in the manner in which we currently deliver it. The Free Trade Agreement does not change our ability to manage and deliver Medicare, medical service programs, hospital programs, personal care home programs in the Department of Health. But, as I say, my honourable friend has this backwards way of getting the argument, of creating the false illusion, the straw man, making the allegations that are unfounded, that cannot be tabled, that cannot be brought to this Chamber for debate, as he so suggests I ought to do, and then he wants me to refute that which does not exist.

So my honourable friend, I can simply tell him that I have had discussions with the federal Minister, I have had discussions with other federal Ministers, I have had discussions with the department. They do not see the Free Trade Agreement as written, which is all we have to go on is as written, having an impact, negative, on our ability to provide health care services in Manitoba.

**Mr. Cowan:** I wonder if the Minister would consider the Economic Council of Canada to be part of the NDP labour-Liberal coalition against free trade, which he has suggested exists.

**Mr. Orchard:** I would not want to tarnish that group with such an allegation.

**Mr. Cowan:** The Minister is absolutely correct when he says I have not tabled or have not referenced any documents. I purposely did not do so until I gave him an opportunity to reference or table his own documents. He has told us that he has had discussions and he has told us that he has had opinions presented to him that show that the Free Trade Agreement will in no way inhibit the Government's ability to manage and deliver our Medicare system or our health care system. He said that the reason I had not tabled any analyses is because they do not exist and, even if they did exist, he suggested that they would not be accurate.

I want to read to him from the Economic Council of Canada, Discussion Paper No. 348, "The Canada-U.S. Free Trade Agreement: Possible Implications on Canada's Health Care Systems," dated May 1988. The Minister has asked for the title again. The title again is, "The Canada U.S. Free Trade Agreement: Possible Implications on Canada's Health Care Systems." I note he said he did not interject before but he just did, so I want to make that point very clear.

\* (1440)

It is very funny that he who was the master heckler and the one who was probably most raucous and rowdy in Opposition has now clothed himself in the

parliamentary traditions of this House. It is not a suit that fits him very well at all. It is an ill-cut suit, and it is one that he will disregard and discard very quickly over time, but we are prepared to allow him to have fun while he now wears it. He showed us last Tuesday that this new statesperson-like approach of his is very, very shallow, skin deep, so to speak. It does not take very much to scratch the surface and bring back the good old Member for Pembina who used to enlighten us so and who used to provide us with so much entertainment when he was in Opposition. It is not that we are being critical of the entertainment he provided us, because he is a very funny parliamentarian when he goes at it. We do enjoy watching him go through his antics, his histrionics and his hysteria.

I am going to quote from the agreement specifically for the Minister, and it is page 47.- (Interjection)- I can table it when we have a copy made, yes. It is my only copy at the moment and I want to use it for the purposes of this presentation. I would have hoped that the Minister's department would have been able to provide him with a copy of it because it is probably one of the most current pieces on the Free Trade Agreement and its implications, possible or otherwise, on Canada's health care system. I know that the department would have been able to provide it to him very quickly had he asked for it, so I can only assume that he has not asked for it. I know they can get him a copy if he so wishes.

Let me quote from it for the time being: "At present there is very little private-for-profit management of health care institutions in Canada. The best known case is that of the Hawkesbury General Hospital in Ontario which contracted out the whole management to a subsidiary of the American Medical International (AMI) Corporation. With the Canadian-U.S. Free Trade Agreement, the extent and range of private management of Canadian health care institutions and programs is likely to grow, but it is very difficult to know by how much and in what areas. The federal Government appears not to be concerned about free trade in the private management of health care institutions or programs and has pointed out that private management of Canadian institutions is already permissible without the Canada-United States Free Trade Agreement.

"If so"—and I am still quoting from the agreement—"why does the Canadian-United States Free Trade Agreement detail such already existing free trade in Chapter 14. Is it merely to put into the agreement what already exists? It is quite likely that it is the American negotiators who insisted that the free trade deal cover such services as private management of health care institutions. The USA has the foremost and largest firms in this field and the Americans have always wanted to expand its export in services.

"In summary"—continuing the quote from the agreement—"it is difficult to know what the terms of Chapter 14 of the Canadian-United States Free Trade Agreement mean or imply for Canada's health care system. Private management of our programs and institutions are likely to grow but the size and impact of this growth is difficult to gauge. It is of course a

development that should be monitored and assessed carefully, should the Canada-United States Free Trade Agreement become a reality."

That is one point by a very well-established and well-respected economic institution, The Economic Council of Canada, which has laid out a series of questions and done so from a negative bias with respect to the impact of the Free Trade Agreement on one small portion of our health care system in Canada. And I say "negative bias," not implying that they were prejudiced against the Free Trade Agreement when they entered into this review but, after having held a review, they did in fact find that there were some negative potentialities arising out of the Free Trade Agreement with respect to the area of private management of hospitals.

They also underline a number of other questions with respect to nursing homes. They are much more optimistic with respect to there being little negative impact with respect to the nursing home industry, but they still do outline some potential problems. They indicate that they do not think that free trade will have a major impact on this area because of nursing home policies and regulations in the provinces that exist already, but they indicate that those policies and regulations must be kept in force and must be maintained.

They also say, "Is there any reason to believe that they may change just because U.S. nursing home chains may enter and/or expand in some provinces in Canada?" That is a question they put out in the document. Continuing to quote from the document, "American firms have not been well disposed toward Government regulations and control in the nursing home industry. They are likely to resist and indeed alter existing Canadian controls and regulations." So, even although they are less strident in their concerns with respect to nursing homes, they still say very clearly that because of the resistance by the American firms that they are likely to resist and, I quote again, "indeed alter existing Canadian controls and regulations."

To back up one step, recall that they said that the Free Trade Agreement would not be a problem in this area if we were able to maintain the existing regulations and policies, and now they are saying that is probably not going to be the case.

They also go on to talk about an area that ought to be of particular interest to the Minister, because of the policy thrust that his Government is continuing from the previous administration with respect to the location of health care industries in the Province of Manitoba. I know he believes and his Government believes and I believe and my Government believed that this province can develop a niche for itself within the health care industries that will enable us to create economic growth in that area and jobs for Manitobans, and that was predicated on an export market in the area. Let me read what the Economic Council says with respect to that, and it comes under the section entitled the "Medical Devices Sector."

"North America represents the largest geographically concentrated market for advanced medical products."

We believe that to be the case, and that is why we developed a health industry strategy which the present administration is carrying out, and I wish them well in carrying it out, quite frankly. "In 1985," quoting from the document again, "it accounted for an estimated 36 percent of the world market. However, the Canadian market is relatively small, accounting for no more than 3 percent of the world market.

"The medical devices industry in Canada is made up of a large number of firms, though for the vast majority of firms medical devices represent a relatively small part of their total activity. Imports account for 75 percent of the total medical devices and products expenditure in Canada. Not surprisingly, distributors outnumber manufacturers and many of the latter import complementary lines. About 47 percent of the firms in this sector are Canadian-owned, 43 percent are entirely foreign-owned, with the remaining 10 percent having minority Canadian participation. Among the manufacturers, 68 percent is totally Canadian-owned and 21 percent is totally foreign-owned, whereas among the distributors 39 percent are Canadian-owned and 54 percent are entirely foreign-owned."

Now, let me again indicate that I am quoting from a document dated May 1988 of the Economic Council of Canada with respect to the possible implications to Canada's health care systems. And when I said, "possible" in quoting the title of the document earlier, the Minister yelled from his seat, in the finest parliamentary tradition, "possible" as to underscore the fact that these are only possible implications. These are implications, nonetheless. It is not according to the Economic Council of Canada, as the Minister said both today and on Tuesday, a situation where the Free Trade Agreement will have absolutely no impact on the health care system in Manitoba or Canada.

\* (1450)

This is what the document itself says. "It is quite likely that a free trade deal with the United States will dash any hopes that Canadians may have had in expanding and broadening the manufacture of medical devices in Canada through an import substitution strategy. The factors that have always worked against such hopes include the limited size of domestic market, the economies of scale in the manufacturing of devices, lack of marketing capabilities of Canadian firms, the low level of research and development expenditure in this industry in Canada, especially compared to the United States and now, with a free trade deal, the reduction of tariffs and possibly non-tariff barriers to imports from the United States. In the case of medical devices, the proportion of imports allowed into Canada duty-free is quite high, about 1/3 of the total imports. Many products are still subject to tariffs, however, in the range of 10 percent to 15 percent. The absence of tariff protection may adversely affect the investment decisions of American firms contemplating manufacturing the medical devices in Canada.

"By the same token, it should make Canada more attractive to non-U.S. foreign investment, for example, German, Swiss, British and Japanese investors. The net effect, of course, is difficult to determine. It is often

thought, at least in Canada, that we maintain a favourable regulatory environment for medical devices manufacturing and distribution. The corresponding process in the United States is seen by the industry to be more complex, costly, and time consuming. As well, U.S. regulations do not allow the export of devices unless approved by their domestic market."

There are other areas where the Economic Council of Canada is equally critical of the Free Trade Agreement. There are other areas where they say that there probably will not be a major impact. I think they have tried to present a very balanced view, not like the Minister has tried to present yesterday and the other day, saying that there will be no problem and in fact the problem will be that we will lose jobs if we do not have a Free Trade Agreement and then we will not be able to maintain these sectors. The fact is that the impact of the Free Trade Agreement on the medical sector and the health care sector is potentially profound. It is not just I who is saying that. I am quoting from an august body, and I would hope the department would provide him with that information.

I also quote from an article from September 17, 1988, from Edmonton. "Free trade will make health care a profit-making industry by the year 2000, the Premier's commission on future health care in Alberta has been told. 'If free trade becomes a reality, Canada will attract a considerable influx of health care management personnel from the United States,' said Shirley Stinson, past chairman of the Alberta Foundation for Nursing Research," another person who says that free trade may in fact be a problem.

There is a judge from Alberta who has just written a very interesting book, Judge Marjorie Bowker. I have her original paper which was entitled, "What will the Free Trade Agreement mean to you and to Canada, an independent analysis based on the actual test of the Canadian-U.S. Free Trade Agreement." By the way, I saw this judge on TV the other day. She indicated that she is not a Member of any political Party, nor does she promote this document in her book as a political exercise. She is doing so because she believes that the Free Trade Agreement does in fact contain some profound implications for the future of her province and her country. It is interesting to note that she is also not taking any royalties from this book because she believes that it should be distributed at the least expensive price possible and that people should have an opportunity to read it.

What does she say about the Free Trade Agreement? "Canada's Social Programs, the Effect of the Free Trade Agreement, and she starts off by agreeing with Mr. Mulroney and the Minister of Health (Mr. Orchard) and others who say that "the Free Trade Agreement"—I am quoting from her book. "The Free Trade Agreement makes no direct reference to Canada's extensive health, social and employee benefit programs." She goes on to say: "This omission has led many Canadians to assume that Canada's social welfare programs are intact and secure." That is exactly what the Minister has said, and that is exactly what the Minister and the Prime Minister would want us to believe. But listen to what this judge says following that. She says, "This

assumption, however, overlooks the indirect hazards to which they will be exposed under the free trade deal. The kinds of programs we are referring to here include the following:—"I am quoting from her paper—"Canada's universal health and medical care system," and she goes on to quote Unemployment Insurance, Canada Pension and Workers Compensation.

Quoting from the document, "The risk is that all these benefits, long enjoyed by Canadians but unknown to American workers, could be challenged at some time in the future by the United States as being 'unfair subsidies.'

"Pressure to change or eliminate them could come from two sources: (1) pressure from the American industry. As goods move freely between Canada and the U.S., some Canadian commodities will enter the U.S. at a lower price than that of similar American goods. The U.S., in order to protect its own industries from the lower-priced Canadian import, could declare that the benefits listed above, enjoyed by Canadian workers, are an unfair subsidy. They could either insist they be removed, or failing that, impose a countervailing duty equivalent to the value of such benefits to bring the price to the level of the competing American product.

"Thus, Canada's trade with the U.S. could be penalized"—and she underlines the word "penalized"—"because of our social programs. In the more distant future, U.S. industry might put pressure on the Canadian Government to eliminate some of those benefits altogether as constituting unfair trade practices and as being contrary to one of the stated objectives of the Free Trade Agreement, namely"—and she is quoting the agreement here—"to facilitate conditions of fair competition within the free trade area, Article 102(c)."

Continuing to quote from the learned judge, "It must be remembered, as mentioned above, that countervailing duties will not be disappearing under the Free Trade Agreement even though they are to be renegotiated within seven years. These negotiations may prove to be a time of tough bargaining for the Canadian Government if it hopes to preserve these programs intact.

"(2) Pressure from Canadian industry: while Canada's social programs are designed to benefit workers, the employer must also pay a share of the premiums, which cost is added to the sale price of the commodity being produced, making it less competitive with similar goods produced in the U.S. and with which our products must compete.

"It is quite conceivable that Canadian conglomerates of the future and the U.S. multinationals operating in Canada under liberalized takeovers could, in years to come, pressure our federal Government to reduce social spending, including elimination of health and employee benefits which, by adding to labour costs, make competition more difficult in export markets. Such benefits, they could argue, place Canadian industries at economic disadvantage in trade with the U.S."

(Mr. Chairman in the Chair.)

And there are other portions of her report which I would like to table later on, Mr. Chairperson, but I know I am coming to the end of the allotted time for my presentation.

What I would ask the Minister to do then is lay aside the histrionics, lay aside the hysteria, lay aside the lashing out, the political—I am trying to find a parliamentary word here—manipulation of the issue, and the political expediency driven by an 18-point drop in the polls over the last week in the Province of Manitoba, and provide to Manitobans some assurance that he says he has that these things that are being said by the Economic Council of Canada, by a judge from Alberta, by the past chairperson of the Alberta Foundation for Nursing Research and by many others—and I have many other quotes that I will bring into the debate today—are being thoroughly considered and reviewed and analyzed by the department.

I would welcome him the opportunity to come back with a reasoned approach and a logical approach and a consistent approach and the analysis which he says that he has seen and the opinions which he says he has seen which shows that this just is not the case.

We have already disproved beyond a shadow of a doubt that his assurances that the Free Trade Agreement in no way affects our health care system are worthless at this point in time because he has not taken the time to review the materials which are available to him by very well-established and learned bodies which exist that exactly the opposite is true, that there may be in fact possible potential negative implications.

He shakes his head "possible potential." I use those words very carefully because I for one do not want to be seen as overstating the case. I do not want to be seen, like the Minister, as being a political ideologue on this particular issue and letting that focus cloud my ability to examine and review the Free Trade Agreement.

They are possible, they are potential, but they do exist in reality as negative implications that could happen and he can stand on his feet and yell and wave his arms all he wishes and say that that is not the case, but there are just too many people lined up against him on this one, too many people, including the Canadian public, but beyond that, learned experts in the field who say he is absolutely wrong and when is he going to come to his senses and review the material that should be made available to him so that he can provide some rational, consistent arguments instead of the type of political maneuvering we have seen to date.

\* (1500)

**Mr. Orchard:** Mr. Chairman, I am going to give the floor back as soon as possible to my honourable friend for Churchill because he in fact proves, everytime he speaks and draws yet another example, that there is no effect of the Free Trade Agreement on our health care and social services in Canada, because every single one of his examples are "could," "potential," "may," "might." There is nobody saying it "will" have this

impact because nobody can say it, because it does not.

Many of the examples my honourable friend uses exist with or without free trade. I will try to deal with some of those as I answer some of his questions. But I want to tell my honourable friend, in the curling rink in Miami, Manitoba, three sheets of ice—at the end of the curling rink there was this big word that was put up by some curler of past renown and it was “If.” If only I had taken the right ice; if only I had thrown the right weight; if only I had not missed the broom; if only the other guy had not made that shot.

That is the debate we are into now. We are like the curlers leaving the ice in Miami’s curling rink, shaking their heads, “If only, if only.” Because it is non-existent what we are talking about. It is illusion, it is potential, it is may, it is what if. But no one, and my honourable friend confirms this every time he gets up to speak, and he will continue to do that because he will not have one quotation from one learned individual that can be factually substantiated that says the Free Trade Agreement will have this negative effect on our health care system. He cannot do it because it does not exist.

Now, he has said about the judge in Alberta, the learned judge has written a book which has come out during the federal election campaign and she is apolitical and egalitarian in her approach because she is not taking royalties. I accept all that. I do not know why the book did not come out two months ago. Maybe it was not ready; I do not know—no idea, no idea. But, Mr. Chairman, again if I can as close as possible reflect what my honourable friend said, she said that it may have indirect effects. Although there is no direct connotation or reference or specific clause which in the Free Trade Agreement affects health care, it may have an indirect effect. “May”’—now is that “will”’? Is that something substantive that one can take and analyze and get a yes or no answer? No, because it “may” have an indirect effect.

My honourable friend, the Member for Inkster (Mr. Lamoureux) described his political position exactly: The sky is falling; the Chicken Little’s sky is falling.

**Mr. Chairman:** The Honourable Member for Inkster, on a point of order.

**Mr. Kevin Lamoureux (Inkster):** If the Honourable Member would have been looking, he would have noticed that it was not I that made the comment. It was actually in fact the Member below me.

**Mr. Chairman:** The Honourable Member does not have a point of order.

**Mr. Orchard:** In my ultimate in parliamentary gesture, I will apologize to my honourable friend because I would not have wanted him to be attributed with any remark he did not make.

But the other thing the learned judge in Alberta says is that this may be challenged sometime in the future—operative words, “may be challenged some time in the future,” “may be called an unfair subsidy,” that Canada

“could be penalized under trade measures for social programs being an unfair subsidy,” not “will be,” “could be.” I mean, there are those who have put forward the counterargument and one of them—and I should have clipped it and brought it in with me because my honourable friend put us on notice some time ago that he was going to debate free trade in Health Estimates—but there was a recent article, I believe it was in the Free Press, which put the counterargument to the learned judge’s book in that they said the danger of the Free Trade Agreement in terms of social programs is not in Canada, it is in the United States; that the United States may be dragged along to provide social programs equivalent to ours because their workers will demand them.

Now, you see, my honourable friend comes from—and I am going to get political here and I know my honourable friend from Churchill (Mr. Cowan) is going to get upset with me—but the socialist mentality is a very barracks mentality. You close in, you close ranks, you get out of NATO, you do not participate with any of your friends and neighbours. You very much close shop, you close ranks, you become a union. You get internal and you do not dare venture out. You get to be like a turtle. You do not duck your head out except maybe to feed occasionally and the world is going to go by you because you are inside your shell. They are afraid of tomorrow. Visionary men and women built this country and they were not socialists. They were not members of the N.D. Party.

Now I know that it is comfortable to sit there and say, gee, what if? Oh golly, this is bad because it may do this wrong or that wrong and therefore we should not get up in the morning because we may slip on the ice and hurt ourselves. You see, it is the “what if.” But again, no one is saying that it will happen because they cannot say that in terms of the Free Trade Agreement and its effect on our social programs and health care because there is no impact in the agreement.

Now, do you know that the other area that I want to point out to my honourable friend—and he knows these figures and so do other people opposite know these figures—there are more health care costs in a G.M. car—

## POINT OF ORDER

**Mr. Ed Mandrake (Assiniboia):** A point of order, Mr. Chairman. Beauchesne’s Citation 245 forbids honourable members to be consuming food in the Chamber. Would you ask the Honourable Member for St. Johns (Ms. Wasylycia-Leis) to refrain from consumption of food, please?

**Some Honourable Members:** Right on.

**Ms. Judy Wasylycia-Leis (St. Johns):** I am only eating my apple.

**An Honourable Member:** I hope it was not an American apple.

**Ms. Wasylycia-Leis:** It is a B.C. apple.

**Mr. Chairman:** Order, please. The Honourable Member for Lakeside, on the same point of order.

**Mr. Harry Enns (Lakeside):** Mr. Chairman, on a similar point of order, I would suggest that you continue to pursue Beauchesne's, and by the time you found the appropriate passage the offending apple will have disappeared and with it the point of order.

**Mr. Chairman:** I would like to thank all Honourable Members for their advice on this matter. Beauchesne does in fact state that while members are entitled to refresh themselves with glasses of water during debate, the consumption of any other food in the House is strictly forbidden, and I would suggest that Honourable Members on all sides of the House use some discretion with respect to this particular rule.

**Hon. Donald Orchard (Minister of Health):** There are more health care costs in a G.M. car built in the United States than there is for the price of steel in that same car, and if we think and if we are going to buy the argument that the U.S. is going to say to Canadian manufacturers that our social programs and our health care program is an unfair subsidy to Canadian industry and therefore somehow trigger remissions and trade subsidies and duties on our goods, my honourable friends simply do not understand what is happening in the U.S. marketplace. Because the U.S., the strong unions in the United States, the steelworkers, the auto worker unions, have got substantive—

**An Honourable Member:** That is their boss is the American unions.

\* (1510)

**Mr. Orchard:** Right—have substantively built into labour costs, health care insurance contracts which today, as I repeat, because a lot of people do not know this, there is more health care costs in a G.M. car built in the United States of America, than there is steel. Another thing I want to point out to my honourable friends, currently the United States health care system costs 10.5 percent of the GNP of the United States of America. My honourable friend says 10.6. My honourable friend from Brandon East (Mr. Leonard Evans) is never wrong in statistics. He can give you statistics, statistics, statistics. So I accept 10.6 percent. I am told and I know I will be corrected by my honourable friend from Brandon East that in Canada we dedicate 8.5 percent of our GNP to health care costs, a full 2 percent difference. Now who is subsidizing who? Is it whom is subsidizing whom? Sorry.

If the U.S. are going to make the case that our health care costs costing less of the GNP is an unfair subsidy they are not going to make the case stick. So that possible unfair subsidy which may be challenged and could be penalized some time in the future will not be. Because how do they prove the case that we are subsidizing our production more than they already are? They cannot, because 2 percentage points of GNP more in the United States are dedicated to health care than in Canada. That is the bottom line. So you want to put

health care costs on the line for free trade? That means the Americans have got to somehow cut 2 percent of their spending away.

Already they are not reaching 37 million Americans. So who loses in a comparison of health care delivery? It is not the Canadians, it is the Americans because they are not delivering it with as low a percentage of GNP and they are not providing universal coverage, which we are. So I want to point that out to my honourable friend. I know that "may" and "if" and "could" and "might" and "sometime in the future" are things that he wants to be alarmed about, but I say to you, no one is saying it will happen because no one can say it will happen, that there is a negative impact on our social programs in Medicare from the Free Trade Agreement.

My honourable friend says that the medical devices strategy is in grave danger because of the Free Trade Agreement. He says on the one hand we cannot compete with the U.S. and on the other hand he says we do not have a big enough market. The Free Trade Agreement is exactly market-oriented because we go from a potential market in Canada of 25 million, which my honourable friend in his dissertation says is too small to make a viable industry, and have access to a market that is 275 million people.

Now where do the economies of scale fit in, if they fit in, in accessing the market of 275 million Americans? Every single example of a trade agreement between two nations has demonstrated clearly and unequivocally something that you never hear from the Liberals and the NDP, clearly, unequivocally that the smaller nation always benefits more. The smaller nation always benefits to the greatest degree because if one industry in the small country ends up having the product that sells, then all the rest grow enormously, whereas the American industry, restricted from the Canadian market of 25 million, how much more do you grow—10 percent? That is right, from 275 million market to 300 million, that is not even a 10 percent increase in market potential.

But the converse of the coin is that you grow, as a restricted manufacturer in Canada, from a market of 25 million to one of 275 million. That is an eleven-fold increase in market potential. If you have an industry that wins, and we have many of them that can win, the growth dynamics are sizable. No one has ever said, in the broader picture, that free trade is good for everybody. There are loser industries. That has been recognized; that has been acknowledged. But there are a great number of winner industries in there too. I think if one draws back and uses just a small little bit of common sense analysis, it does make some common sense that if you can go from a potential market of 25 million to one of 275 million, you have an incredible opportunity for growth.

My honourable friend, who is an auctioneer and the MLA for Arthur (Mr. Downey) demonstrated the probably easiest understood analogy of free trade of anybody because he is an auctioneer. He said to one of his farm customers, if I am selling your farm sale do you want 25 customers at your sale or do you want 250? The answer is pretty clear. You want more customers at

your sale because you have a better chance of getting a higher price, and somebody to buy. Does that not make common sense? Really, we have lost our common-sense roots in the Free Trade debate by getting into the rhetorical, hysterical "what if" argument, not based on knowledge, fact, not founded on the principles of the agreement, but founded on fictional circumstances of "what if, what maybe, what could happen;" but not, "will happen," not "shall happen," not "can happen," but always hypothetical, "what if." We have gotten into the emotional debate and we are away from the common sense of what this agreement can do.

I want to further talk about the medical strategy, the medical devices strategy. I think it is a reasonable argument that if we can access a market 11 times as big and we have a firm and an expertise in Canada and in Manitoba that produces a good product economically, that having access to a market 11 times as big has tremendous growth potential for Manitoba. That is why the federal Minister of Health, the Honourable Jake Epp announced Winnipeg is the site for research and development into those kinds of health care devices. That announcement was made out of municipal hospitals about two months ago. Winnipeg can become a centre with that, with Otto Bock and other firms.

I had the opportunity last week, Tuesday night, to visit with the Belgian Consular. He was visiting Manitoba. My honourable friend, the Minister of Highways and Transportation (Mr. Albert Driedger) took him to Churchill on Friday of last week. The Belgian Consular indicated to me that he sees the Free Trade Agreement as being a tremendous opportunity for Manitoba from the standpoint of joint venturing with Belgian firms to invest in Manitoba to produce medical goods, medical devices for export to the United States as well as to serve the Canadian market.

Now there is an individual from Belgium who is part of the European Economic Trading Bloc, who is saying to myself as a Manitoban and as an elected official and as Minister of Health, I think there is opportunity for investment, joint venturing by Belgium firms in Manitoba to access the U.S. market because of free trade. My honourable friend even said that in his—I give him credit—in his dissertation because he said it could. We do not know what the impact will be of offshore firms, European firms, German and French firms he mentioned, I believe, investing in Canada and joint venturing to access the U.S. market. I want to tell you of my personal experience of just 8 days ago or 10 days ago, in which that is a potential, a very good potential growth area for Manitoba investors and Manitoba workers. Because of free trade, it exists. Without free trade, it will not exist. That is where we are coming from with the Free Trade Agreement.

Mr. Chairman, let me go to my honourable friend's first analysis by the Economic Council of Canada. Again he was correct. The title is "Possible Implications." Again the Economic Council of Canada did not say there will be an impact on social programs by free trade. And do you know why the Economic Council of Canada as a learned body did not do that? Because, as I have said before, they cannot do that, because it

does not exist. We are fighting the straw man imagery of the what if and the scare tactics. We have gone beyond reason and common sense into the emotional argument on free trade and we are wrong in doing that.

The example by the Economic Council of Canada is private-for-profit management in our health care facilities. Hawkesbury is the example. If I understand the Hawkesbury, Ontario example, it was a hospital that was going to be closed because it was inefficient. It was spending enormous amounts of money. Its costs were way above the average of peer group hospitals in Ontario. A private management firm from the United States indicated, give us the opportunity to manage it and we will see if we can make it work.

\* (1520)

The Ontario Government, I guess, had nothing to lose so they allowed that to happen, and the experience in Hawkesbury was good. They ended up offering medical services at a lower cost. I guess the bottom line question in the Hawkesbury incidence is twofold. The first one is, are the people using the hospital in Hawkesbury better off with the decision to close the hospital or better off with the decision to allow private sector management to run? In other words, the blunt question is, are the people of Hawkesbury better served with a hospital or without a hospital, because that was the decision. No one is being denied access to the Hawkesbury Hospital under private management. It is still funded and accessible by all Canadians who may be there and need hospital services, but the management allowed it to be there.

The second interesting point to make on the Hawkesbury thing is that that happened without free trade. Goodness gracious, it happened without free trade. Why is it then that our health care system is not completely decimated by these ravaging U.S. entrepreneurs? You know why? Because the opportunity for private management exists today in Manitoba, in Alberta, in Saskatchewan, in B.C., in Ontario, in Quebec, in Prince Edward Island, in Nova Scotia, in New Brunswick, in Prince Edward Island, in Newfoundland, the Yukon Territories and the Northwest Territories. It exists today. Free trade does not allow it or disallow it.

You have to ask yourself the question, are the people of Hawkesbury better off with a private sector for profit-managed hospital or with no hospital? Answer the question. Each and every one of you can get up and answer the question. Are they better off with the hospital under private-for-profit management at Hawkesbury or without the hospital and no services? I do not know. If I was living Hawkesbury and I was a taxpayer in Hawkesbury, I would say I want my hospital open and I do not care who runs it. If you are NDP, you say, no, close the hospital. Do not let those dirty for profit private companies into management. Well, that is their opinion; they can have that. But Canadians would disagree with that if they new the truth. My honourable friends, of course, will not put that kind of information completely on the record. We know that.

It says in the Economic Council of Canada that private-for-profit management of hospitals and health

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care institutions is likely to grow, not it will grow, but likely to grow. I simply want to point out to you that in Manitoba and in every other jurisdiction in Canada, the option is there with or without free trade to privately, to engage private sector management companies. It has not happened. It is not mandated to happen if we have the Free Trade Agreement nor is it disallowed with the Free Trade Agreement. It is still an option that is open and available with or without the Free Trade Agreement. So that argument is simply unimportant; it is irrelevant. It is neither part of the Free Trade Agreement or excluded from the Free Trade Agreement. It simply does not even apply to the Free Trade Agreement because that option is available to us now as managers of the health care system.

It says that quite likely, U.S. negotiators put this clause in the agreement. Well, I do not know with what authority they could make that speculative conclusion. But I point out to you, it is a speculative conclusion. I do not feel threatened by having the option open of any private sector management of any institution that is under the Health Department funding because I can say no to them if I do not want it to happen or I can say yes if I believe it is beneficial. But I am not obligated to entertain any private management of any institution. That option exists to me as Minister of Health today without the Free Trade Agreement and will exist with me after the Free Trade Agreement comes into effect. I still have all the options open. Nothing has changed. The argument does not apply.

One other thing that is said by the Economic Council of Canada is that it is difficult to know what the impact will be. Again, couched in terms of uncertainty, nothing definitive, nothing factual, nothing real. I am not saying this critically of the Economic Council of Canada, because they cannot point to any clauses in the Free Trade Agreement which directly affect delivery of health care in Canada, no one has said it will do this because no one can. If we want to deal in the "what ifs," we can systematically, everytime offer the counterargument, which is factual, which takes away the threat of the "what if," because there is nothing in the Free Trade Agreement that mandates us to do anything that has an impact on the way we deliver health care in Manitoba or in Canada.

That, Mr. Chairman, is the bottom line and I again say to my honourable friend, the Member for Churchill (Mr. Cowan), who wants to debate this. If you have an opinion which is different wherein someone has put into black and white an analysis that says the Free Trade Agreement will have this effect on the way we deliver health care, table that today. I will analyze it overnight and over the weekend and have it refuted Monday afternoon because no one can factually say that.

That is the correct interpretation of the Free Trade Agreement, not the fearful "what if" interpretation, that is the factual interpretation. No one can say it will have an effect. And my honourable friend from Churchill (Mr. Cowan) cannot table one example, one quotation from one learned judge, from one learned body of academics and analysts, from one learned union shop steward, from one learned group of executive directors or

anything because they do not exist. No one can say it will have an effect, no one has and, if anyone has, that argument has been refuted.

So to my honourable friend, if he has some, please table them and we will them. But I know he will not do that because he does not have them.

**Mr. Enns:** Mr. Chairman, I hate to differ with my Minister with whom I have a great deal of respect, but I have to do so on this occasion and it is on the point on the issue that is raised by my colleague, the Member for Churchill (Mr. Cowan). The Minister just indicated that no learned judge or no other expert can comment on the relationship of the Free Trade Agreement and the Medicare program or health care delivery system in this country.

It is my understanding, Mr. Chairman, that on this very day, the person who correctly, I believe, is referred to as the father of Medicare in Canada, His Honour the Chief Justice Emmett Hall, who I point out to Honourable Members, after many years of distinguished service on the bench, accepted an assignment from the Liberal Government in 1964, appointed by a Liberal Prime Minister, the Honourable Mr. Lester Pearson, to commence a two-year Royal Commission studying the health care system in Canada. It was that Commission that is accredited, acknowledged by all I believe, that led the then Liberal administration to introduce what we now refer to as Medicare, the national Medicare scheme in Canada.

\* (1530)

My understanding and my request of this Minister is that the judge, the eminent judge, who was directly involved in putting together of what we refer to as our Medicare scheme, has today very definitively stated that the Free Trade Agreement impinges in no way on the Medicare system in this country. He feels so strongly about it that he is scheduling a news conference tomorrow in Saskatoon, I believe, to in greater detail present his conclusions to support what our Minister has just told us here in this Chamber. My request to the Minister is I know that this will not stop the debate on this issue. It is regrettable that it happens to suit the political agenda of Honourable Members opposite to continue this debate and even more regrettably in this fashion.

I ask this Minister, or his staff, to provide perhaps over the weekend or have some efforts made to have Chief Justice Emmett Hall's statement made available to all Members of this House. I know I certainly would want to have it made available to myself so that I can refer to it when my constituents legitimately fanned by the fearmongering that is going on ask me quite legitimately about the future of Medicare.

I appreciate the harsh, partisan world of politics. We are in an election. Even in every election that I have fought in, there are some bounds of decency, some bounds of respect. What is happening on this issue is that highly respectable, expert people—and you can almost feel our being reluctantly drawn into the politics because of the campaigns being waged by Members

opposite on this issue, people like Simon Reisman. Simon Reisman, who was probably one of Canada's foremost public servants, a former Deputy Minister of the now Liberal Leader, served different Governments as a good public servant has for years, certainly considered one of the most senior mandarins, if you want to refer them, on the Ottawa scene, a man who I am sure has frequently graced the head table of union functions, invited to it by none other than Mr. Bob White in celebration of his brilliant work in negotiating the Auto Pact Agreement.

I am sure of that, that Mr. Simon Reisman would have been a frequent guest at national meetings or banquets of the automobile unions of this country. Simon Reisman, who was a senior negotiator of virtually every important trade agreement we have ever entered in as a country, whether it the GATT Agreements in Geneva, which my friends opposite often refer to as being the alternative. Of course they are an important aspect of our trading relations with other countries, and they form the basis, they form the agreement about our trading relations with other countries, and indeed with the United States as of now.

A very large percentage of the terminology of the terms, of the practices incorporated into the proposed Free Trade Agreement are drawn from those very agreements that are currently in existence under GATT and everybody knows that.

It is not my intention to intrude on these Estimates at any greater length. I appreciate it is the opportunity principally for Members of the Opposition to do so. Coming in from the farm this morning, I could not help but be impressed with the fact that a Chief Justice now in retirement would feel compelled to come out of retirement to make this statement to refute the outright falsehoods that are being spread by people who I would really like to have respect for as fellow politicians, leaders of national Parties.

You can almost feel the reluctance of respected journalists, editors, like Joan Cohen, who yesterday and today calls the actions of the Leader of the Liberal Party outright lies, calls the actions of the New Democratic Party's leaders outright distortions, falsehoods, and lies. These are the kind of people who do not normally like to get drawn into partisan debate. They respect their own expertise, they want to be accepted for their own professionalism in the same way that a senior Deputy Minister like Mr. Simon Reisman has not up to now got himself involved in the hot partisan debate of various elections of the numerous elections that he has been through during the course of his life.

The person most often referred to as the father of Medicare comes out of retirement tomorrow in Saskatoon, with what I understand, at least this is what the CBC Radio reported at one o'clock this afternoon, calling a press conference, coming out of retirement, the man who a Liberal Government appointed to head the Royal Commission that led to the creation of Medicare as we now know it in this country, the man whom the NDP on many occasions have called for to arbitrate in labour disputes because they considered him a fair man. It was only two years ago, or a year-

and-a-half ago, I forget the particular dispute, it was grain handling or transportation dispute that the New Democrats specifically requested that Chief Justice Hall be the arbitrator in that particular dispute.

Mr. Deputy Speaker, a Chief Justice who served a distinguished career on the bench, that service alone removing him from the active role of partisan politics, appointed by a Liberal administration, by a Liberal Prime Minister to begin the important work of establishing a universal national Medicare system in this country that we are all proud of. Surely, Mr. Deputy Speaker, as politicians maybe you do not want to accept the Minister's word, or the Prime Minister's word, or the Minister of Health's word simply because he happens to be a Conservative and it is their program. But then is it not reasonably decent, appropriate and responsible to then turn to some other experts, the people that have built, have been major movers and shakers in the very development of the system that is being suggested in jeopardy.

Chief Justice Emmett Hall surely would be among the first to cry out if such a valuable service as the Medicare service in Canada, that he can claim some parenthood to, some significant role in developing, he would be among the first to cry out publicly if it were indeed to be in jeopardy. So I ask the Minister to do, at least myself and perhaps other Members of the committee, a favour by attempting to secure for us the actual notes, or the statement that Chief Justice Emmett Hall will be making tomorrow in Saskatoon, to at least have them available to us here in this Chamber, indeed for those of us who might find them useful in dealing with this question with our constituents. Thank you.

**Mr. Orchard:** Mr. Chairman, I certainly will make that endeavour. Mr. Chairman, I cannot help but comment about how attentive all in the Chamber were to the comments made by my friend and colleague, the MLA for Lakeside (Mr. Enns). Because, you know, we are not here in an election campaign in this Chamber; we have no particular axe to grind personally, certainly in terms of our partisan attachment to our federal counterparts, we are deeply interested in the outcome of this election because I naturally want to work after the 21st of November with a Mulroney Government again, because I believe we can accomplish a lot together, and I will admit that is totally partisan from my standpoint at this time, but it also reflects, I think, an excellent job of governing that they have done on the federal level.

\* (1540)

But I think what my honourable friend the Member for Lakeside (Mr. Enns) pointed out, and I was appreciative of the attention paid to his remarks, Chief Justice Emmett Hall and others are not seeking election. They do not have a political axe to grind; they do not have to secure votes and win an election.- (Interjection)- You know my honourable friend, the Member for Brandon East (Mr. Leonard Evans), makes reference to another judge. But again, I challenge my honourable friend from Brandon East, as I challenge my honourable friend from Churchill (Mr. Cowan), to give me some statements by judges or anyone else who say that the

Free Trade Agreement will have this effect on our delivery of health care because I repeat what I have said earlier—none exist.

If they do exist, they will be upon analysis found to be not factual just like the comments in the debate Sunday night on CBC television by, I believe, one Robin Sears, maybe an individual known to some in this Chamber. I do not know. When challenged to say where in the Free Trade Agreement—and I did not see this—but when challenged to say where in the Free Trade Agreement is health care affected, he named off three clauses, looked very authoritative, looked very knowledgeable, had its impact on people who then said, h'mm, maybe there is a problem here. But upon analysis the next day, one of the three clauses to which Mr. Robin Sears—and I believe he is closely associated with the New Democratic Party—one of the clauses did not exist and the other two clauses had nothing to do with health care. When my honourable friend, the Member for Lakeside (Mr. Enns), said that some of the facts on the Free Trade Agreement made by Mr. Broadbent and Mr. Turner are outright lies, they do not say that because they are seeking election. They say that because they want the future of Canada to be secure and to grow.

All I wish to achieve in this debate, and I welcome this debate from my honourable friend from Churchill, all I wish him to do is to provide me with some definitive statements that it will be an outcome of free trade—will be. When he does, I want them to be tabled, if he can. I want the source, the author, learned judge or otherwise, and we will analyze that for him. I can tell you that it will come out to be not a correct statement. That is why everything he has put on the record to date and, I venture to speculate, everything he will continue to put on the record will be couched in the terms of may have an impact, potentially detrimental and may have an indirect effect, may be an unfair subsidy, could be penalized. I again refer my honourable friends to that word at the end of the curling rink in Miami, Manitoba, "if."

He is not going to come up with anything definitive but, knowing my honourable friend, he will continue to attempt to put the doubt and the fear campaign on the record because they know that works from time to time in elections. I have never once in my life not given full credit to the Members of the N.D. Party in their ability to milk the politics of any issue. They do it with skill far in excess of any other political Party in the Province of Manitoba because they are past masters at milking the politics out of issues.-(Interjection)- Oh, the question my honourable friend said, "Then why are we over there?" Because of the integrity of one Jim Walding, they are sitting over on that side of the House, a New Democratic Party Member with integrity who would no longer put up with the deception of the Pawley administration. That is why you are over there.-(Interjection)- My honourable friend, the Member for St. Vital (Mr. Rose), says, Larry Desjardins as well who left them. That is in part true, because Mr. Walding could not have defeated the Government had the full complement of their caucus been there.

I full well appreciate the political skills of the Member for Churchill (Mr. Cowan). He will utilize, in the very

best of New Democratic campaigning strategy, to attempt to get a fear campaign going, but that fear campaign will not be based on any factual analysis. It will be based only on the what if's, the maybe's, the could happen, the might be a possibility's, but he will never come up with anything definitive because it does not exist.

**Mr. Jay Cowan (Churchill):** Mr. Chairperson, the reason that people listened intently to the Member for Lakeside (Mr. Enns) is because he approached the matter in what I thought was a reasoned approach. I did not agree with everything he said, but he was rational, he was reasonable, and he did not resort to the histrionics and hysteria that we have seen from the Member for Pembina, the Minister of Health (Mr. Orchard).

The Member for Lakeside said that it was regrettable that this had turned into sort of a political issue during a campaign and people were using it for politicking. I just want to read to the Member for Lakeside some comments from the Minister of Health on Tuesday. I will ask the Member for Lakeside to read every comment that I have made on the record in this House to determine in his own mind, and I know he will be honest in this judgment, as to who is using this for political purposes or politicking. Listen to what the Member for Pembina had to say on November 1, talking about this, and he went on to talk about the Stanfield election and the 1974 election, and where they brought in the matter of wage controls.

Here are his exact quotes: "Remember that as a platform for the Progressive Conservative Party? Remember what that opportunistic dog, Pierre Elliott Trudeau, did? He said, 'No way, never will that happen.' He persuaded the people . . . that was wrong. And what did that lying Leader of the Liberal Party do upon achieving Government? He brought in wage and price controls."

So, if anyone is resorting to name calling, to political manipulation with respect to this issue, it is the Member for Pembina (Mr. Orchard). That is very much like him and we are used to it. As a matter of fact, we find his play-acting quite enjoyable.

I want to read to the Member for Lakeside (Mr. Enns), because I respect his opinion, as to why I have brought this issue forward. I am reading from the Economic Council of Canada, May 1988 publication. The reason that this debate has gotten off on the wrong foot was because of the way it was approached from the federal Government's perspective in the first instance. Listen to what they say in their introduction: "What is the potential impact of the Canada-U.S. Free Trade Agreement on Canada's health care system? This subject has not yet been seriously studied or analyzed in Canada but, with the release of this draft agreement, this question is becoming increasingly important and relevant to the debate and discussion about the advantages and the risks of free trade itself."

Then the document goes on to say about how opponents have voiced fears, and the document says this very important point: "They did not believe the

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Prime Minister's assurances that our health and social programs 'were not on the bargaining table' or Pat Carney's, the then Minister for International Trade statement as late as November 24, 1987, that 'there is nothing in this agreement that involves social programs in any way at all.'

"The actual agreement released about a fortnight later, in the view of these opponents of free trade, show that their skepticism and doubts were valid. At the very least, it cannot be said that the Canada-United States Free Trade Agreement does not have anything to say about health and social programs in Canada. For example, Chapter 14 of the agreement clearly allows for free trade in management services for a wide range of institutional and non-institutional health care services."

The fact is that we have brought this subject forward because we think it is an important subject for a debate. It coincides with the national campaign, but we are not the ones who are using it to attack other Parties. We are not the ones using it to attack other individuals. We are asking some very serious questions. I think you will be quite interested in how I conclude my comments at the end of this presentation with respect to that.

The Minister says that I have this concern, I have this suggestion with respect to how it impacts the health industries. I was quoting exactly word for word from a document of the Economic Council of Canada. We should respect them at least for having taken an objective look at this.

Also in that document, we hear a quote from Adam Zimmerman, and I do not know if the Minister of Health (Mr. Orchard) or the Minister responsible for Manfor (Mr. Ernst) or the Member for Lakeside (Mr. Enns) is familiar with Mr. Zimmerman, but Mr. Zimmerman is a supporter of the bilateral Free Trade Agreement with the U.S., and is chairperson of Noranda Forest Incorporated and the Canadian co-chairperson of the influential Canadian-American committee. Because of that, the Economic Council says: "Mr. Zimmerman's warning cannot be easily dismissed as uninformed or mere fearmongering, as presumably one could with some vociferous opponents of the Free Trade Agreement."

\* (1550)

"Mr. Zimmerman warned that the Canadian-United States Free Trade Agreement could mean much pressure from the United States for Canada to bring its social, tax and other policies in line with those in the United States. "He had met Sam Gibbons, Chairman of the Foreign Trade Subcommittee of the Ways and Means Committee, the main group in the House of Representatives dealing with the Free Trade Agreement. Gibbons message was that Canadians should not do things 'any different up there' and that, according to Zimmerman, 'may affect our tax policy, our social policy, all kinds of things.'" and that is an article from the Toronto Star, March 28, 1988.

The Minister makes much ado about the fact that we cannot say this would definitely happen or that would definitely happen. The Economic Council of

Canada touches on that subject when it says: "It is clear from the nature of the issue that what is required is educated or informed opinion on the matter. The analysis of the Canadian and United States Free Trade Agreement must of necessity be speculative and conjectural." That is the case and that is why we are being speculative and conjectural.

I do not want that to be seen as any hesitancy because, as much as we cannot say definitively that this will happen, the Minister cannot say definitively that it will not happen. That is the crux of the issue. All we have asked him to do, and I say this directly to the Member for Lakeside (Mr. Enns) and he will read the words and he will understand, all we have asked him to do is table his analysis or to provide us with the opinions or to provide us with some information that would address these particular issues, and he cannot do it.

The paper also goes on to say: "Bilateral Free Trade Implications for Canada's Health Care System," and they ask the question: "What effect, if any, will a bilateral Free Trade Agreement between the United States and Canada have on Canada's health care system," and I am quoting from the document. "This question has received little, if any, attention by the federal and provincial Governments or by health and social policy analysts generally. There are no formal studies of the issue. There is even a dearth of educated or informed opinions from Canada's health economists or health policy analysts. That is not to say that there are no opinions at all."

I want to quote from an article from the Winnipeg Free Press on July 18, 1988, by Alexandra Paul. The title is, "Americanized Medicare feared from trade pact. 'Like every other sector of society, health care officials are split on whether the proposed Canada-U.S. Free Trade Agreement will affect their field, the nation's health care system. Will there be any impact on Canada or Manitoba's health care system?'" This is a quote, that is a quote. " 'Who are we quoting?' Mr. David Pascoe, Director of Planning and Research in the provincial Department of Health asked rhetorically. Quoting Mr. Pascoe again, 'I do not know.' "

Obviously, he has either found out something since July 18 and informed the Minister that there will be no impact, or the Minister has not been listening to what has been told to him with respect to what potential impacts there may be. Pascoe says he doubts there will be a definitive answer until the yet to be named joint tribunal provided under the TAP rules on specific disputes in the future. That answer will have to wait until after January 1, 1989, the date the agreement takes effect, he said. That last part is not a quote but a paraphrase.

So there are concerns. The national seniors network known as One Voice and Seniors Today, published out of Winnipeg, a weekly journal since 1982, dated August 24, 1988, says the following: "Topping the list was the inclusion of health care facilities and management services in the free trade deal." This is one of several concerns that were outlined by the One Voice delegation, which appeared recently before a legislative committee on Bill 130. Quoting from the article: "One

Voice sees this as a threat to the universality of health care services. Vice-President, Jean Woodsworth, said: 'The throwing open of hospitals, nursing homes and day care centres to private U.S. management will make it very hard to maintain Government standards in the face of financially motivated American interests. The concept of universality of health care is not an American one,' she said. 'We have a different conception of supportive social services in Canada.'

"She said she was confident the majority of elderly Canadians are opposed to the deal after One Voice consulted with approximately 40 seniors' organizations in its membership, including the Manitoba Society of Seniors. Woodsworth, who is also chairperson of the Ontario Division of Canadian pensioners, said: 'Members of that group and of the Ontario coalition of seniors' organizations have also aligned themselves against the deal.' She noted that, 'People I work with from the Maritimes, from Alberta and Manitoba are all very strong in their opposition.'"

Still quoting from the paper because this might be of interest to Members opposite with their close ties to the Chamber of Commerce. "However, a member of the Seniors Bureau of the Winnipeg Chamber of Commerce told seniors today he was in favour of the deal."

They also go on to say, because every time someone raises an objection to this—and I direct this to the Member for Lakeside (Mr. Enns) because I think I can be granted my partisanship in political desires in this Chamber because we are all indeed politicians within this Chamber—but he said that there are other people who are not normally involved who have been forced reluctantly to speak out on this issue because of their concerns. Well, I have not heard what the eminent Justice Mr. Hall is going to say yet, but there are others and I have quoted other judges.

**Mr. Enns:** Will you respect it when he says it?

**Mr. Cowan:** I will respect it as much as I respect what others have said about this issue, and I would ask that he respect what others have said as much as what the eminent judge has said.

But what we hear all the time when we quote someone else, it is a part of this NDP-Liberal labour coalition against free trade, and that is what the Minister of Health talked about all last Tuesday afternoon when he addressed this issue.

But let us say that, let us listen to what One Voice says. "But fears about non-tariff barriers to trade such as Government subsidies remain unresolved because an under the deal definition of subsidies has yet to be pursued during the next five to seven years. One Voice claims regional development initiatives and social programs could be challenged by the U.S. as subsidies. Woodsworth says she is not opposed to the concept of free trade in principle. That would be like opposing motherhood. 'But we think that we are in danger of losing many things that are integral to the Canadian society.' She stressed that One Voice's position is a non-partisan one which does not reflect opposition to the Conservative Government.'"

The Minister of Health (Mr. Orchard) tried to malign what had been said by Justice Marjorie Bowker because the book was published during an election campaign, and he said on a number of occasions, we do not know why they would publish the book now during the middle of an election campaign, the inference of course being that it was strictly motivated because it came out during the election campaign.

If the Minister of Health had been listening carefully, he would have noted that when I introduced the subject I said I was not speaking from the book but I was speaking from the paper which preceded the book. That paper is dated July 1988. So that paper in fact did come out long before an election campaign. So I would hope that he would have the honour and the courage to stand up and remove from the record any slurs which he put on the record with respect to the motivations of the judge in regard to her work on this agreement. He may disagree with her objective analysis, but please do not try to impugn motives and suggest that she is doing it for political purposes because it just is not true.

The fact that the Minister keeps walking into these sorts of problems with regard to this issue shows that he has not studied it very carefully, that he does not know it very well, and everything he says just leads me to believe that he is not prepared to study it or he does not want to study it because he has made up his mind.

It shows his ignorance of the issue, just as the last example I quoted, and there are others. It also shows his reluctance to deal with the issue. He seems to be getting his research on the Free Trade Agreement solely out of newspaper articles. I think that there is some value to newspaper articles, and I think they allow an opportunity for the debate to take place and that is what we want to see happen. But I would ask him to rely more on other materials.

I want to tell him that we have some very strong concerns about the Free Trade Agreement on this side. But in saying that, I have not—and I have purposely avoided doing so—said that the Free Trade Agreement is a threat to the Medicare system. I believe it is a threat to the health care system and to the medical care system. I am not certain whether it is a threat to the Medicare system and the principles of universality per se. I think that question has to be answered over the longer term. But I am very certain in my own mind that the health care system is touched by the Free Trade Agreement, which is something the Prime Minister said was not the case, which is something that the Minister responsible for Trade said, Pat Carney, not that long ago, and something which the Minister of Health (Mr. Orchard) just said a couple of days ago and which I think he would have to retract at this point in time.

\* (1600)

The agreement in fact does touch upon health care-related issues. The Economic Council of Canada—and I want to read this part to him and I want to encourage him to get the paper. I am not going to table this paper,

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because I have written on it, but I can tell him that I had this paper faxed to me in one day by calling the Economic Council, and it is a paper which is available from our library as well. The reason I came across this particular paper was that it was on the list of selected new titles which all MLAs receive every month from the library. They did not have it available so we had it faxed to us in one day.

I want to read to him what it says about the Medicare system itself and I want him to take some solace in this because it is going to support something that he has said. I am not certain that I agree with it but I am prepared to have the issue on the table for an open and a hopefully vibrant debate:

The agreement must not endanger Canada's universal Medicare system in any way. The Trade Agreement meets this objective. In fact, apart from the phased elimination of trade barriers on medical equipment and pharmaceuticals and provisions governing temporary entry into each other's country for certain medical and allied professionals, the agreement does not touch directly on matters of health care.

Now note that it does not say that the agreement does not touch directly on matters of health care. It says, except for these particular areas.

Both countries continue to be bound by the GATT subsidies code which excludes domestic programs such as hospital and medical insurance from its definition of countervailable subsidies. There are, however, some health related areas where the agreement may indirectly have an impact.

These are discussed in this study. The study is very definite in some areas where it says that certain things in fact will happen. It says very definitively:

It will also lead to an expansion of the private management of Canadian health care institutions and programs. The consequences of this expansion, it was argued, will depend very much on the willingness and ability of the provinces to ensure that the policies and regulations governing the delivery of health care services in Canada are met no matter who manages them. Whether the Canada-United States Free Trade Agreement is benign in this respect is not certain. The free trade deal will affect some health care product markets, specifically pharmaceutical and devices. Both of these sectors are already open to considerable trade between the United States and Canada, usually imports from the United States to Canada. The reduction in tariffs could lead to yet further increases in imports from the United States.

They have come to exactly the opposite conclusion that the Minister of Health (Mr. Orchard) suggested would be the case given the small country/large country nature of the agreement.

So all I am asking him to do is to lay aside his rhetoric, to understand full well that even his own department

is being quoted as saying they do not understand the full implications of the trade deal, and to undertake the research and the learning process that all of us require with a deal of this complexity to determine how his department and how his Government should start to consider what can be some very negative impacts of this agreement.

There is a purpose behind that other than just to get him to admit that there are some negative implications, because there are. It is not just I who is saying it. It is not just politicians who are saying it. It is the Economic Council of Canada, the National Seniors Network, Judge Marjorie Bowker, Adam Zimmerman, who is the chairperson in Noranda Forest Inc., the women's organizations. I quoted a number of other sources and there are other sources that can be quoted. They are all saying the same thing.

What is particularly important is they are saying in direct contradiction to what the Minister has said in the House in the last couple of days and what the Prime Minister said and what the Minister of Trade said previously, and that is that this agreement does touch on health care related issues.

We have a very good system in place and I do not think that the Free Trade Agreement will come in place and the next day the walls of universality will be torn down and the principles cast asunder and that there will be an entirely different system in place, just as I do not believe, by the way, that if the Free Trade Agreement does not come into place that the next day Autopac will be on the table and the Americans will be coming forward rushing headlong with retribution and other punitive measures.

I do believe that there is a possibility of erosion of health care in this province and this country over a period of time which could lead to a much less effective system, a much less equitable system, a much less fair system and a system that is controlled much more by the social policies and the financial needs of someone other than the recipients of this service. I think that is a very real threat and to turn your back on that threat without being able to offer any objective analysis that would discount that threat, I think is very much to put the health care system at a risk that it need not encounter.

There are other areas that have to be dealt with as well, and I want to quote the Honourable Jake Epp, the Minister of Health, because he was quoted by Members opposite. This is with respect to an article that appeared in the paper July 17, 1988, entitled under the headline "Red Cross fears free trade blood battle," and it is an issue which I want to discuss more with the Minister when we get into some specific sections of his Estimates, and I will tell him that as well.

In this article, this is the following quote. Diepen Brok, who is the national spokesperson for the Canadian Red Cross, said that they have been studying the Free Trade Agreement since mid-June. "We have been sifting through the information to find out what the impact will be, if any," adding that they are not certain if the probe will be complete by the time the legislation is to take effect on January 1.

Quoting from the article, "Diepen Brok said the national office has ordered its lawyers to examine the free trade documents and is discussing the issue with the Canadian Blood Committee, a federal-provincial body of health officials who oversee the Red Cross. Federal Minister Jake Epp confirmed that 'commercial American blood banks would be entitled to operate in Canada under free trade but, like the Red Cross, they would have to be licensed by the provinces before they can operate,' Manitoba's senior federal Minister added.

"But Epp refused to say how the provinces could stop Americans from undercutting the Red Cross because it could harm an existing cross-border trade in essential blood products. We buy most of our blood products from California. 'That is why I am not giving you a better answer,' he said, 'I am very conscious of the fact of where we are getting a lot of our blood products.'"

Even the Honourable Jake Epp, who is a very strong proponent of trade, when pressed on the issue has to say that he does not understand the full ramifications of it. I think, when we go through the debate on the importation of blood products, we will see how just very serious that matter is and how very much a health-related issue that is to hundreds of individuals in Manitoba, if not more. The Minister knows that about which I am speaking, I am certain, and if he does not, he will because I am certain his staff will advise him as to why that is the case.

We have tried to be very reasonable in our approach. We have not suggested that this attacks Medicare *per se*, but we have suggested that many others among ourselves say that it can have potentially negative implications and impacts on our health care system.

The Minister has to undertake the type of thorough study that his staff, who are a very good staff, can provide to him in this area if they get the proper direction. So his staff do not have to be put in the position of saying I do not know what the impacts are going to be. They can say definitively, and I know they will be honest, that we believe there will be no impacts in this particular area. We believe there may even be positive impacts in this particular area, and we believe that there may be negative impacts in this particular area. I think that can be done, and I do not believe it is too late to be done.

I make that point specifically because we are into the debate now and, as things are happening, I am not so certain that there will be a Free Trade Agreement at the end of this process, but I am being speculative again because no one knows. If there is a Free Trade Agreement, I think we should be prepared in order to determine how it is we want to best protect the best parts of our health care system. We should no longer, as the Minister has done, try to defuse the issue or try to regain political popularity for his federal counterparts or try to suggest that everyone who is critical of this issue is an ogre who is totally uninformed and manipulative and a fearmonger, because that is just not the case.

\* (1610)

He can throw those sorts of slurs at us, and we have to take them as long as they are within the confines of parliamentary language in this House. We can fight him on those, because I think he shows by his actions that he does not really understand this issue as well as he should. I am prepared to say that, and have and will continue to say that. But he should not throw those sorts of slurs at the Economic Council of Canada or at Judge Marjorie Bowker or at Adam Zimmerman or at the One Voice seniors' network or at many of the other honestly motivated, seriously concerned, well-educated, well-learned individuals who have taken their time to review this agreement and have come up with more questions than answers.

That would not necessarily be a problem if it was a piece of legislation that we were running through this House that could be amended by another administration or even the same administration if they found that perhaps the wording had been wrong. We have done that. He, as a Member of the Government, has brought in legislation into this House that had to be amended in committee, that had to be amended in next Session because it did not exactly work out the way in which he thought it would work out. We, as a Government, have done that. That is legislation.

But what we are talking about here is a treaty. It is an agreement, and it is not a commercial agreement of the like of any other commercial agreement that we have entered into, as was suggested by the Prime Minister during the debate. It is not something that you are just going to give six months' notice on and get out of. When it is in place, it is going to lock us into a whole series of discussions and negotiations and ongoing process which will tend to cement the bond rather than tear it asunder.

So as we enter into the Agreement, when we enter into the agreement, if we enter into the agreement, it is going to be a matter of that agreement becoming substantiated more and more and harder and harder to unravel. It will become that proverbial omelette that cannot be unscrambled. Whether or not that omelette is a good omelette or a bad omelette, I do not think we can say with any sort of categorical confidence at the moment, but I do believe we can say that there are a number of questions that must be thoroughly reviewed. We are concerned that we would enter into that sort of an arrangement without those questions having been resolved.

Because if they are wrong, then the implications and the impacts are no longer speculative. They are no longer just a minor irritant. There are some very real problems with which we have to deal, and there may be problems that bring about severe destruction maybe or maybe just limited damage to the health care system, but the potentiality for that exists.

I learned today one thing, that the Minister bases his philosophy of nation building and visionary efforts on what is written on the end of the wall in a curling rink in Pembina and it is the old "what if." Well, I want to read that back to him. It is not necessarily my philosophy. My philosophy is let us try to figure out all that can go right and all that can go wrong and make some reasoned rational decisions. But I want to,

because he takes that philosophy to his heart, read it back to him. What if he is wrong? What if Marjorie Bowker is right? What if the seniors' network is right? What if Adam Zimmerman is right? What if the Economic Council is right? And he does not even have to agree that the NDP and the Liberals are right. What if Jake Epp is right? -(Interjection)-

Well, the Ministry of Industry and Trade (Mr. Ernst) says we should pull the covers over our head. I do not believe that is what should happen at all, but I believe that is what is happening in the covers in their instance, and what is happening to them is this Free Trade Agreement which they blanket themselves with. I think we should take the covers off of our head, and I think we should look at these issues in the light of day and determine whether or not they are beneficial and, if they are beneficial, then let us proceed into it full haste. But if they are not beneficial and until we know the difference, we should not lock ourselves into an agreement that can lead to such dramatic consequences. If they are not beneficial, then let us know and let us at least have the courage as a country to say our Government was wrong when it went after this Free Trade Agreement. It was not well negotiated. It does not provide the benefits that we want, and let us get out of it before it is too late.

**Mr. Orchard:** I want to correct an error in my honourable friend's dissertation. I am always doing this and I apologize to him but, if he was not always in error, I would not have to do it.

He indicated that I put on my philosophy and approach to this issue as being the "what if" issue. No. 1, that is not correct. It is not the "what if" issue, it is the "if," the one word "if" which is on the end of the curling rink in Miami, Manitoba. I put that on the record not as my approach to this issue, but as the Honourable Member for Churchill's (Mr. Cowan) approach to this "if" issue, not mine.

My honourable friend from Churchill tries to put on the record that is my philosophical approach, and again I have to correct him because he is wrong. I have done this many times in the last several days and I will continue to do it as often as he is wrong. I said the "if" theory as written on the end of the curling rink in Miami, Manitoba, is the theory of the Honourable Member for Churchill.

Now I want to go through again forty minutes that he spent really going through this issue in depth, and he has done it twice.

He made one issue that is correct and that is that private management of health care facilities is a possibility. As my honourable friend, the Member for Kildonan (Mr. Cheema), says, that is nothing new. I have already indicated that is available today without free trade. It will be available tomorrow without free trade, it will be available tomorrow with free trade. It has absolutely nothing to do with the Free Trade Agreement, its existence or its nonexistence. So I give him credit for bringing one issue forward that is correct, but I cannot give him credit for its attribution to an outcome which flows from the Free Trade Agreement because that is not correct.

If my honourable friend, the Member for Churchill (Mr. Cowan), does not understand that, he had best do a little more research because it is not a part of the Free Trade Agreement. It is a capability that exists today. I see my honourable friend from Churchill is going to his learned and experienced colleague from Brandon East (Mr. Leonard Evans) to bail him out of this problem. I look forward to this.

I want to again reiterate what my honourable friend has put on the record from quotations attributed to Mr. Zimmerman. Mr. Zimmerman said, "It could mean and it may affect." Again, as I have challenged my honourable friend from Churchill, give me some will happens, and you have not done it.- (Interjection)- Well, Mr. Chairman, the Member for Churchill says, I have just done that. He has done it in terms of the management, I believe is the only issue he put on, which again according to the Economic Council of Canada—and I will go back to the original notes I made which I quoted back to him some time ago—that it is likely to grow, not that it will grow, likely to grow.

I repeat, private-for-profit management of institutions is available today with or without the Free Trade Agreement. It is not part of the Free Trade Agreement. Nothing in the Free Trade Agreement requires us to further advance private sector-for-profit management or to take it away where it successfully works in any institution in Canada. It is a non-issue in the Free Trade Agreement, it is a non-issue.

Let me go back to my honourable friend's last 40 minutes. He made another clear statement that certain things in the Free Trade Agreement may indirectly have an impact. Now is that not a positive outcome statement? Again, may indirectly have an impact, not will directly have an impact, but may indirectly have an impact. I simply say that my honourable friend in his next point said it was a possibility that this might flow from the Free Trade Agreement. My honourable friend says we must be sure.

I agree. That is why the Free Trade Agreement excluded social services, excluded Medicare. My honourable friend read into the record a short while ago that, under the definitions of subsidies, Government support programs like Medicare are not included, so that his argument he made in his 40 minutes he destroyed in his second 40 minutes.- (Interjection)- Now my honourable friend is saying he never made the argument. Maybe he is right. Maybe he did not make any arguments. I cannot disagree with him because to date he has not made a single definitive argument which backs up the case that his federal Leader is making, not one.

\* (1620)

Again, you know, I will close again, and I will allow my honourable friend the rest of the afternoon to give me the concrete example of someone who says it will affect Medicare in this way as a direct result of the Free Trade Agreement. He has not done that. Mr. Chairman, I maintain again, he cannot do it because such analysis does not exist, and I repeat again for probably the 14th time this afternoon, where it does

exist, and where the statement has been made, it has been refuted, à la statement by Robin Sears on the CBC three-Party debate where he said, "Clause such and such, such and such, and such and such of the Free Trade Agreement affect Medicare." He was proven wrong in that one of the clauses did not even exist in the agreement and the other two had absolutely nothing to do with medical services. It was a simple, knowledgeable, very crafty illusion of fact and a scare tactic used by Robin Sears in that debate.

The point was made the moment he uttered the words and it is refuted on Page 47 of every newspaper, and repeated on the fifth item of a news broadcast of this electronic media. The impact was already made, and that is of course what my honourable friends in the New Democratic Party always wanted to do. They make the statement, have the impact up front and then they know that if they are wrong or have been slightly misleading in their statement, that the correction will be always buried, the initial impact is the first one and that is what Robin Sears was trying to do when he gave those answers. I would even venture to say that it would be my humble opinion that he knew they were incorrect when he gave those clauses, but he also knew that in the political game of the New Democratic Party they would have the appropriate impact of scaring people.

Well, I just want my honourable friend to give me some definitive examples, not the possibilities, not "the may happens," not "the might be an outcome," not "could possibly," not "may indirectly," but "will;" give me a "will." Just give me one example of a "will happen" out of the Free Trade Agreement—and I notice my honourable friend, the Member for Churchill, who has not done it is now passing the hot potato to the Member for Brandon East (Mr. Leonard Evans), and I am going to sit down and I am going to listen to the Member for Brandon East.

**Mr. Leonard Evans (Brandon East):** I only wanted to contribute a few words to this very interesting debate and if it will make the Minister any happier I have handed back the document to the Member for Churchill and allow him to use it, but what he has there simply substantiates some points that I was about to make.

The Minister is very eloquent when he says: "Point to the agreement and tell me where there is a negative impact, where is it in the agreement," and he also says, "No one can say definitively that this will happen, that there will be an erosion of the health care system."

No one can say it will but, Mr. Chairman, no one can say it will not. The fact is that there are many authorities in this country who are not politicians. They are economists, they are sociologists, they are doctors, they are people who are into social welfare research, the social welfare councils and various groups of that type who are very, very concerned about the possibility of erosion of the social welfare fabric—and I use that term in the broad sense, Mr. Chairman—the social welfare fabric in this country which includes, not only health care, unemployment insurance, social allowances, child care payments and so on, includes all of these things that together form part of our social security.

We have these people who are saying to us that there will be the indirect effect. Because it is indirect does not mean it is not real. It is very, very real. Bruce Wilkinson, an Economics professor at the University of Alberta, I do not know this professor, says—and this is quoted in an article here, Professor Wilkinson says, "The public should look beyond the federal Government's assurances that social support programs are not included in the actual agreement, instead look at U.S. policy." It says, "The Government just keeps saying it is not in the agreement," and this is what we are hearing the Minister of Health saying today ad infinitum. It is not in the agreement. And that is what Mulroney is saying.

But we know the U.S. support for these kinds of programs in their own country is less, and we know, and we should know, that the Economic Council of Canada indicates this in its latest annual report, that one-quarter of the jobless in the United States do not have access to unemployment insurance and 35 million Americans have no hospital insurance whatsoever. And the fear expressed by Professor Wilkinson at the University of Alberta is that Canadian companies, faced with increased United States competition and declining profits, will balk at the pressure of paying for social programs compared with their American counterparts. That is what his fear is. I have not any other details as to parts of his argument. That is the bottom line for this particular person and I think there is some validity to this, that if you feel you are being hurt that you will then wish to put pressure on your Government because a lot of this is paid through the tax system.

As we know, we have, whether the Minister of Health likes it or not, a socialized Medicare system in this province and in this country. Canada has socialized medicine. You may not like the term but that is what we have. It is a system paid for through the taxes that we have. It is not paid for in the marketplace. It is the Minister's responsibility to maintain and protect that system as we know it in the province. He knows, to his peril and to his Government's peril, if he does not protect that system, because if the people of Manitoba are sensitive about anything, it is about the need to have an adequate health care system. That is No. 1. And so I say, look at the experts. Look at the people around us in Canada who are saying there are some concerns that we should have, like the negative impacts of this deal on our health care system and on our other social services.

It is interesting that the chief United States negotiator, a fellow by the name of Murphy, who said that right at the very beginning of the discussions, the negotiations, "I am going to the table with the clear understanding that everything is, in fact, on the table." That, of course, includes social programs, including health care. "There is a question of what is a trade distortion and what is not a trade distortion. I think that is something we have to sit down and discuss." But nevertheless, that is a concern that the American negotiators have, particularly the chief negotiator.

It is interesting that the Minister of Health (Mr. Orchard) makes the argument about how more expensive private enterprise medicare is to the United

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States than socialized medicine is in Canada. I agree with him. Private enterprise Medicare, private enterprise health system as we know it today in the United States is far more costly to the American people than socialized health care is to the Canadian people. He quoted some figures. We may disagree about 1/10 of 1 percentage point or so on, but that is not immaterial. But it is, as he correctly pointed out, a difference of two points of the Gross National Product in terms of the overall expenditures on health care between the two countries.

We also have a scene in the United States where doctors fees are very high. They are very uncontrolled. Hospital costs are skyrocketing there. Administrative costs, there are all kinds of duplicated private insurance plans that eat up about 12.5 percent, I understand, of what the insurance companies collect, compared to 2.5 percent for Government administered plans or Government operated plans.

\* (1630)

The point is, a United States company, this is the other side of it, a United States company which has to buy health insurance because of, say, some contract with the employees union agreement, if he has to pay an employee benefit, he pays a lot more than his Canadian counterpart. The Canadian counterpart pays it through taxes. The American employer, by and large, will pay it through some kind of a private insurance plan. He, that American employer, is very, very sensitive to that. I can see, at some point, if the specific industry, the specific company is being negatively affected by competition from a Canadian company, that company is very, very likely, and this would be rational on their part to put pressure, to cause this unfair situation to be removed.

Again it is not something that is necessarily going to happen the day after the Free Trade Agreement is signed. It can and will happen at some point when that situation arises, where the American company feels that they are having to compete unfairly, in their mind, with the Canadian counterpart because the Canadian counterpart has a medicare system that is paid for by universal taxation whereas he, the American employer, has to buy the private insurance, which is very expensive, directly for the employees.

It is interesting, if you go forward—I would like to talk for a minute about prescription drug programs because we have them in various degrees in this country. We have one in Manitoba, a Pharmacare program. They tend to be a common fringe benefit on both sides of the border in labour contracts. Regardless, for many years, we have had very low medicine costs in this country. The costs of prescription drugs have been among the lowest in the world. One of the reasons for that is that we have had legislation that allows no name brand companies to flourish and to offer competition. As a result we have all benefited. The consumers of Canada have benefited and particularly senior citizens and people who are disabled, people who tend to use a lot of prescription drugs. These people have benefited enormously.

What happened of course since then is that the Mulroney Government has changed the Drug Patent

Act allowing additional protection for companies, the brand name companies, if you want to call them that, in Canada, mainly subsidiaries of U.S. multinationals, have extended the protection, I believe, up to 10 years. As a result of the changes in the Patent Drug Act, you have had an excessive increase in drug prices in this country. At one point the drug prices were escalating at two-and-a-half times the rate of inflation. Ask any senior citizen, ask people in my riding who have told me, my God, what is happening to drug prices in this country, that they are going up and up and up rapidly?

At any rate, it is interesting that although there were denials on the part of Government officials, there were statements that came out of the U.S. Government and they were rather indiscreet. But it is apparently common knowledge on the part of some people in Ottawa that the changes were demanded by Washington as part of the price to even begin the free trade negotiations. The free trade negotiating process would start only if Canada was prepared to move in the direction that it has since moved, that Mr. Reagan got to Mr. Mulroney and said, hey, for years we believe you have not been treating these brand name companies fairly, these American subsidiaries fairly. We want the laws to be changed to give the protection. Of course, that has occurred.

Really you might say that this is the first Canadian social program that has fallen victim to the whole free trade issue, the free trade arrangement, that in order to even begin to discuss free trade we had to do this. Obviously, nobody wanted to talk about it on either Government side but it is interesting, as I understand, that if the Liberal controlled Senate had not rejected the Bill off-hand and caught Washington by surprise, we might not have got this unguarded response from one of the Reagan administration officials and we would never have been able to confirm the reality of the situation.

But that is what we understand, that as a price to even begin negotiations we had to change our patent laws to the detriment of senior citizens in this country, to the people who are afflicted with chronic illnesses who depend a lot on medicine. No one is going to be so ham handed, Mr. Chairman, as to include in the Free Trade Agreement a list of Canadian social programs that would be required, because that would cause such a backlash that it would never get off the ground. For sure the Mulroney Government would be defeated; they would be thrown out of office. There would be no question about it, so they are not that stupid. No one has been so ham handed as to include this in the agreement.

I want to suggest that if the free trade arrangement should come to pass, should be history, should be signed and implemented, that you would not necessarily see a negative impact on our Medicare system the day after, maybe not even the year after. Maybe even a few years down the road you may not see it. Eventually, in the long run, you will see an effect, especially as long as the American companies are doing well.

I suspect if the American companies, for whatever reason, if any individual company is not doing well in it, there will be tremendous pressure by the American

Government to bring his level playing field concept into being. I think having at that point additional integration with the American economy, it would be just horrendous to try to reject the U.S. demands for a level playing field. I think it is this demand for a level playing field, the pressure of the level playing field, that will eventually come about, that will cause the erosion and the watering down of the Medicare health care system that we know today, and that is not something that I dreamt up. This is something that I read about from various people who are in the field of health care, people who are in the social services field, people who are in research positions and various other positions, various associations and so on, who are concerned about the social security system in Canada, and there are many of those people speaking up. I do not know them, but they are speaking up. They are in various organizations and they are making their views known.

So although we read about it and hear about it and listen to it on television and the media, the political leaders speaking, behind those political leaders are all these organizations, groups, pressure groups, if you will, but people who had various concerns and various legitimate concerns and I suppose on both sides of the argument.

\* (1640)

But I want to probably conclude for this point at least by making reference to a comment made by the Minister towards the end of his last remarks. He was saying that we cannot keep out American companies now, that we do not need an agreement to have American investment in Canada, including health care investment. But the fact is, Mr. Speaker, that the free trade deal makes it very clear that U.S. firms will have unrestricted rights of investment in Canada. I mean, if you try to keep them out, then you are contravening the spirit and the letter actually of the Free Trade Agreement. U.S. firms will have unrestricted right to invest, to establish subsidiaries, to buy out Canadian firms, and they have to be given the same treatment as existing Canadian firms, including equal treatment in supply and services to Government and Government agencies.

In fact, the agreement encourages investment. It encourages an increase in the United States investment, and I suggest that is a different scenario than we have now. This is a very interesting political point, an interesting point of political issue, and that is do we have a Government that is prepared to protect the public health care system that we have, or do we have a Government that is ready to fall in line and allow for increased privatization of the delivery of health care services in all its ramifications and all its facets? That may be a growing area of political dissent or political dispute in this province, a very critical issue.

I know where we stand, and we stand on the side of maintaining what we have, maintaining a system that works. I might add that the reference that the Minister made to Hawksbury—and maybe he made some other examples—I think point not to necessarily a failure on the part of one particular hospital, but it may point rather to the failure of the Ontario Conservative Government of that time for not properly funding the

hospitals and perhaps for not providing enough capital funds.

At any rate, Mr. Chairman, I think that the fears that have been expressed by ourselves in the House, by the New Democratic Party and the Liberal Parties across the country are a reflection of the fears, the legitimate concerns of people who are expert in the field, people who are representing seniors, people who represent disadvantaged people. You cannot cast it aside by saying it is just purely political partisanship on the part of the Parties, fearmongering on the part of the Parties. What is being stated is really a reflection of the genuine concerns of a large cross section of the Canadian public.

**Mr. Orchard:** Mr. Chairman, I regret that I erred earlier when I indicated that my honourable friend, the Member for Churchill (Mr. Cowan), was bailing out of this argument and passing the hot potato to have the Member for Brandon East (Mr. Leonard Evans) bail him out of a corner. I apologize for making that statement to the House, because my honourable friend from Brandon East has failed in an abject way in catching the hot potato and indeed in bailing his honourable friend out.

Mr. Chairman, I listened intently to the Member for Brandon East (Mr. Leonard Evans) and I have never heard a more disjointed, uncoordinated and irrational argument in all my life. I am deeply disappointed in the statements made by my honourable friend, the Member for Brandon East. Normally he has something positive to contribute but, on this one, it was rambling, disjointed and countering arguments put forward by his colleague, the Member for Churchill (Mr. Cowan), not 20 minutes earlier. I cannot believe what I heard.

He says Liberal Parties are against the Free Trade Agreement. Last time I checked, Robert Bourassa, Premier of Quebec, was the Premier of a Liberal Government, strongly supporting the Free Trade Agreement. Last time I checked, there was a Liberal administration with every single seat in New Brunswick belonging to them and they are in favour of free trade. The last time I checked, and I am informed by my honourable friend, the Minister of Industry, Trade and Tourism (Mr. Ernst) that the Liberal Premier of Ontario who has been vocally opposed to free trade up until about two months ago now has been silent on the issue, because he established a Premiers' Council on free trade, membership of which was drawn from the major corporations in Ontario.

They have reported to the Premier as chairman of that committee that the Free Trade Agreement is good for Ontario, and the Liberal Premier of Ontario has been quite silent on free trade in the last little while. The only Liberal Party that is against the Free Trade Agreement that is currently in Government, I believe, is the Premier of Prince Edward Island, I think. Now, Mr. Turner is against it. The Leader of the Liberal Party (Mrs. Carstairs) in Manitoba is against it, but then they do not represent Government. It is easy to be against something when you are in Opposition; it is easy to fight against something.

But what I want to point out about my honourable friend, the Member for Brandon East (Mr. Leonard

Evans) that he did is he went in and he made an argument that because—and he reinforced what I said earlier on that there was in a General Motors vehicle built in the United States, there is more health care cost than there is steel. He said that because their costs are so much higher in the United States that the American manufacturers are not going to be able to compete and they are going to go to the table and say, Canadian manufacturers in the same product are able to compete with us unfairly because their health care system costs 2 percent less of GNP.

Well, if I listened intently to my honourable friend, the Member for Churchill (Mr. Cowan) not a half-an-hour earlier, he said that Canadian companies, because of the cost through taxation of our Medicare system, we are going to start rolling back the benefits and not paying taxes because the costs were too high. He said exactly the opposite to what the Member for Brandon East said.

**Mr. Chairman:** The Honourable Member for Churchill, on a point of order.

**Mr. Orchard:** Now we are going to get it clarified.

**Mr. Cowan:** On a point of order, Mr. Chairperson, I cannot allow the Member for Pembina (Mr. Orchard) to consistently distort the record in the way that he has been doing all afternoon and during the course of these Estimates. If he will read the Hansard, he will determine that I in fact did not make that categorical statement. For him to suggest that I did is a blatant misrepresentation of what happened in this House. I do not expect him to withdraw it, because I do not think he has the honour in order to do so.

**Mr. Chairman:** Order, please. A dispute over the facts is not a point of order.

**Mr. Orchard:** I mean, on the one hand, one Member of the New Democratic Opposition makes the arguments that Canadian companies to compete in the U.S. are going to have to get their taxes down because the taxes are going to pay for a very good Medicare system and, therefore, there are going to be benefits rolled back to the workers. I believe that was an argument made by a Member of the New Democratic Party this afternoon. I think that Honourable Members will agree that was an argument that was made.

Then, in the next half hour, another Honourable Member of the New Democratic Party stands up and says, the Americans are paying too much for health care and the Americans are going to say that we are unfairly subsidized in Canada, and they are going to have us up before the trade negotiations because their Medicare costs too much in the United States and they cannot compete with Canadian manufacturers because we pay less, the same argument out of both sides of the border, out of two members of the same Opposition Party. Now if you want to have an inconsistent group, just refer to that, this afternoon's debate, where they both used the same argument on different sides of the border for the same end, neither of which agree or make sense.

Mr. Chairman, again the hot potato was passed to the Member for Brandon East (Mr. Leonard Evans). I asked him before I sat down to give me some examples of anyone who says a given clause of the Free Trade Agreement will have this effect on our health care system. I have to say, Mr. Chairman, my honourable and learned and long-standing colleague, the Member for Brandon East, the dean of the New Democratic Party caucus, failed to deliver. He did not put one definitive example on the record.

Mr. Chairman, I do not fault him for that because he cannot put on the record something that does not exist. Not even my honourable friend, the Member for Brandon East, is a miracle worker and can create something which does not exist. Again I ask, I implore, I plead of my honourable friends in the New Democratic Party, I beseech you, give me one example where one learned individual in Canada says that the Free Trade Agreement, by clause or in general, will have this effect on the Canadian people's ability to deliver health care. Please, I implore you, bring that forward. Stop the fear campaigns, the what ifs, the maybes, the possibly's, give me some definitives. I challenge you to do that, I plead with you to deliver. I know you cannot though because you have not all afternoon.

\* (1650)

It is not as if the New Democratic Party is unprepared, because on Tuesday last week when we introduced the Estimates, my honourable friend, the Member for Churchill (Mr. Cowan) said we will be debating free trade and its impact on health care in depth. They have been researching it, they have been working on it, and they have not delivered one concrete example. The reason they have been unable to do that is that none exist. If they existed, it would be with glee, with grinning and with enthusiasm that the Member for Churchill would bring those to the House. He would say, see here, I can prove it. The Member for Churchill cannot, because none exist. I am sorry that we are into this kind of a debate on free trade as it applies to the health care system, because it is a campaign of innuendo and fear, not founded on factual analysis, but only founded on the what ifs and the maybes and the possibilities of.

That, Mr. Chairman, from circles is a legitimate argument, but when you cannot definitively prove your case, you ought not to raise the fears of Canadians and Manitobans in an election that you are not going to have Medicare if you have free trade. That is false advertising and I think politics is one of the only enterprises in Canada that does not have laws to prevent false advertising and it ought to have. Some of my honourable friends in the New Democratic Party and in the Liberal Party would be charged with violations of false advertising in some of their statements on free trade.

Mr. Chairman, my honourable friend has just done some research for me. I am not going to read this into the record like my honourable friend, the Member for Churchill (Mr. Cowan) did, because I know that he is quite capable of reading. He proved it this afternoon. I want to refer my honourable friend, the Member for

Churchill to the Winnipeg Free Press, Wednesday, November 2, 1988, page 7. You know what it says? It says, "Broadbent fails to back up charges." It says, and here is this picture of Ed Broadbent with his hands clasped in a priestly pose, "Ed Broadbent needs to produce some proof of his free trade allegations."

Mr. Chairman, we have spent since 2:25 p.m. this afternoon in debate with my honourable colleagues in the New Democratic Party of the Province of Manitoba asking them to present some proof and they have failed and failed miserably this afternoon. Their federal Leader has failed and will continue to fail miserably in that effort to come up with definitive proof.

This is not a Conservative politician who has written this article in the Winnipeg Free Press. This is Joan Cohen. I honestly do not know what her political leanings would be—

**Mr. Chairman:** Order, please. Order. I hesitate to interrupt the Honourable Minister, but I wish to draw all Honourable Members' attention to Beauchesne's Citation 333, that it is improper to produce exhibits of any sort in the Chamber.

**Mr. Orchard:** Mr. Chairman, . . . presented an exhibit in this Chamber. I want that dervish character to be hung and quartered. Who did that?

**Some Honourable Members:** Oh, oh!

**Mr. Orchard:** Now I am nervous. I am looking behind me to see who is exhibiting.

Joan Cohen has challenged Mr. Broadbent to give us proof of his allegations on free trade. I will guarantee you that between now and November 21, 1988, which is election day, Mr. Broadbent will not be able to present one shred of proof. I will make the similar prediction here this afternoon that if we debate free trade in the Estimates of the Department of Health until November 21, 1988, that my honourable friend, the Member for Churchill (Mr. Cowan) and my honourable friend, the Member for Brandon East (Mr. Leonard Evans) will not be able to provide one shred of evidence that the Free Trade Agreement affects the delivery of health care services in Manitoba or in Canada.

The reason I am able to make that statement is because the Free Trade Agreement does not affect the delivery of health care. Even the Member for Springfield (Mr. Roch) knows that.

I want to close off in the last few minutes that we have available this afternoon to provide, to build on the case of my honourable friend, the Member for Churchill (Mr. Cowan) and his federal Leader and on John Turner's case that the Free Trade Agreement will destroy Medicare in Canada, which is the argument they are making.

My honourable friend, the Member for Inkster (Mr. Lamoureux) says valid argument, but I have not heard him put anything on the record this afternoon to prove it, and he will not. He is like everybody else. He will not be able to. My honourable friend, the Member for Inkster says it is not the time or the place to put an

argument on the table that free trade will destroy Medicare.

What better time than right now, during an election campaign. If you can prove what your federal Leader is saying and your provincial Leader is saying, why would you hesitate to not put it on the record today and now? Why would you want to hide that kind of proof from the people of Manitoba? Do you know why, Mr. Chairman? Because my honourable friend for Inkster knows full well he cannot prove the case.

**Mr. Chairman:** The Member for Inkster (Mr. Lamoureux), on a point of order.

**Mr. Kevin Lamoureux (Inkster):** On a point of order, I would be more than happy to facilitate some answers to the Honourable Member when the two of us could possibly get together. At present we are discussing the Estimates of the Department of Health and it would probably be better if we would be asking questions pertaining, and answering questions pertaining to your department, sir.

**Mr. Chairman:** Order, please. What is the Honourable Member's point of order?

**Some Honourable Members:** Oh, oh!

**Mr. Orchard:** -(Interjection)- Mr. Chairman, I accept my honourable friend's valid point. I have answered the question from Square One this afternoon. The Free Trade Agreement does not have any impact on Medicare. My honourable friends have tried to prove the point consistently. They have not done it. I would prefer to be dealing with other parts of the Estimates of the Province of Manitoba and the Department of Health, but that is not the choice of my honourable friends in the N.D. Party.

My honourable friend, who from his seat, and did not do it on the record when he had the chance on his point of order, has confirmed that he, as a Member of the Liberal Party in opposition to the Free Trade Agreement and on the same bent as his federal Leader who is saying that it will destroy Medicare, has not a shred of evidence either, or else he would have put it on the record this afternoon.

That is the objectionable part of this debate. The opportunity is here and now in this Chamber to put those arguments forward. We are one of the few Legislatures that are sitting in Canada right now. This would be the time for the Liberal and New Democratic Party to prove their case on the destruction of Medicare with the Free Trade Agreement, but you cannot do it, and you will not do it.

I simply want to close and I want to do this in short order because I want my honourable friends to think about this, to destroy the health care plan of Canada, which my honourable friend, the Member for Churchill (Mr. Cowan) and his federal Leader and the Liberal's federal Leader are saying, you have to destroy the five founding principles of our Canadian health insurance scheme, that being accessibility, comprehensiveness, portability, public administration and universal access.

None of those are threatened in any way, shape or form because of the Free Trade Agreement. My honourable friends know that, they know that full well. Any argument they have brought up this afternoon with a shred of clarity to them are totally independent of the Free Trade Agreement because the capabilities on management exist today, and there is no Free Trade Agreement in place. We have the option in Manitoba, as they have in Ontario, as they have throughout Canada, to retain private-for-profit management services in our health care facilities. Free trade does not bring that in as a new item nor does it mandate we do it. It has absolutely no impact and my honourable friends have not proven their case this afternoon.

\* (1700)

**Mr. Chairman:** Order, please. The hour being 5 p.m., it is now time for Private Members' Hour. Committee rise.

Call in the Speaker.

### IN SESSION COMMITTEE REPORT

**Mr. Mark Minenko (Chairman of the Committee of Supply):** Mr. Speaker, the Committee of Supply has considered resolutions and directs me to report progress and asks leave to sit again.

I move, seconded by the Honourable Member for La Verendrye (Mr. Pankratz), that the report of committee be received.

**MOTION presented and carried.**

**Mr. Speaker:** The hour being 5 p.m., it is time for Private Members' Business.

### PRIVATE MEMBERS' BUSINESS DEBATE ON SECOND READINGS PUBLIC BILLS BILL NO. 2—THE BUSINESS NAMES REGISTRATION AMENDMENT ACT

**Mr. Speaker:** 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)

### BILL NO. 3—THE CORPORATIONS AMENDMENT ACT

**Mr. Speaker:** 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). The Honourable Member for Brandon East (Mr. Leonard Evans).

**Mr. Leonard Evans (Brandon East):** I note that the Member for Thompson (Mr. Ashton) has 11 minutes. Also, I am not sure that he wishes to speak, and I was going to contribute to the debate as well.

**Mr. Speaker:** We are discussing No. 3, and I believe the Honourable Member is referring to Bill No. 13. We are doing No. 3 right now. (Stand)

### BILL NO. 13—THE MANITOBA HYDRO AMENDMENT ACT

**Mr. Speaker:** On the proposed motion of the Honourable Member for Flin Flon (Mr. Storie), Bill No. 13, The Manitoba Hydro Amendment Act; Loi modifiant la Loi sur l'Hydro-Manitoba, standing in the name of the Honourable Minister of Industry, Trade and Tourism (Mr. Ernst). The Honourable Member for Thompson (Mr. Ashton) has 11 minutes remaining—the Honourable Member for Thompson.

**Mr. Steve Ashton (Thompson):** Mr. Speaker, as I was outlining in the four minutes that I had previously, I must say that I am amazed at what has happened. The transformation that we have seen in the political fabric this past week, and really what a difference a week makes. It was only just over a week ago that we had a strategy from the Conservative Party in the federal election dealing with issues generally and dealing with the free trade issue, in particular, that was one of wrapping the Prime Minister in a cocoon, keeping away from the press. They might have asked him difficult questions. Keeping him away from the public, they too had some difficult questions for the Prime Minister, Mr. Mulroney.

We saw this as a continuation of a strategy of theirs over a two-year period. They had a very slick marketing effort for free trade that was premised right from the beginning, not in terms of providing information to people, but in terms of low keying the issue because they knew a year and two years ago that the more people thought about the free trade deal the more concerns they would have and the more they would be opposed to it. So we saw the Conservatives continue with this strategy for six months, a year, a year and a half, two years. We saw it in the election the first, the second and the third week. Then what happened?

What happened, Mr. Speaker, was that it took a televised debate for the Prime Minister to finally be faced with some difficult questions from both the Opposition Leaders. It took a televised debate for people to finally see that the Prime Minister did not have the answers on free trade. It took an election campaign for the Opposition Parties to be talking about the issue of free trade and providing a balance to what had been pretty one-sided in the past, because of the fact that the federal Government had spent millions on propaganda, slick propaganda to try and propose this free trade deal, and what happened? There was a plummeting for support in the polls for both the Conservative Party and for free trade.

Now, all of a sudden, Conservatives in this House and across the country want to debate free trade. I

am sorry, Mr. Speaker, if I sound a bit cynical about why they are all of a sudden rising to this debate. It is obvious to me they are flailing away. They are in a free fall politically. They finally have been smoked out by the debate. They have been finally smoked out by the facts on this issue and they are trying desperately to fight back.

It is ironic too, Mr. Speaker. You will have to forgive me if once again I am cynical, but I heard the Prime Minister with his righteous indignation, and his first tactic on free trade was what? To say, my grandfather was better than yours. We all heard that, this phony patriotism of the Prime Minister. What are we hearing now? We heard the Prime Minister after the debate say the Opposition Parties are using scare tactics. Now we hear the Prime Minister going across this country saying that millions of jobs are at stake with the Free Trade Agreement. Now, who is using scare tactics? Who is taking a leave from the facts on this particular issue? It is the Prime Minister. Should it be any surprise to anyone?

Forgive me, if I am cynical again, when I hear the Prime Minister accuse Ed Broadbent or John Turner of lying on issues, lying about free trade. This is the same Prime Minister who told the people of Canada before the election in 1984 that he was against free trade. I remember the quote very well, I have read it to Members of the Legislature in previous debates from 1983 saying how he was totally opposed, how it would erode our sovereignty. Now, Mr. Speaker, was that a scare tactic at the time? No. But when the Opposition Members raise the same concerns the then candidate for the Conservative leadership, Mr. Brian Mulroney, raised in 1983, that is scare tactics.

As I said, excuse me if I am a bit cynical, Mr. Speaker, but it is obvious to me that Brian Mulroney and the Conservative Party are a group of desperate people right now. They will really do anything at this stage, throw out any accusation. They will bring out any supposed arguments they might have because they know that they are sliding in the polls and they are being dragged down like a lead weight because of the Free Trade Agreement.

\* (1710)

I can say that I have talked to people in my own constituency; I have campaigned on behalf of NDP candidates here in Winnipeg. I have talked to life-long Conservatives who have said to me that they will not vote for Brian Mulroney and the Conservative Party in this election because of free trade. They feel that Brian Mulroney and the Conservative Party have sold out the country. This is life-long Conservatives. I am not talking about people who voted New Democrat or Liberal in the past, are doing so again, but I have talked to many. I have talked to people who have said they will vote NDP once, in my area, once and once only because of the free trade debate. They will maybe return to their roots as Conservatives after that, but they feel so strongly about this issue, so strongly about the free trade issue that they are willing to vote against their party of life-long allegiance.

So, Mr. Speaker, that is what is happening out there and no words that we are going to hear, no hollow

protests from the Prime Minister are going to change that, because what the Government feared the most is happening. What the Government feared was that the more people found out about the free trade deal the more they would be opposed to it, and that is what is happening. The more information people get—not the more propaganda like the stuff that was put out by the federal Government—the more they are opposed to it. Quite frankly, I find some of the hysterics of the Conservatives, now that they are cornered on this issue, to show a complete lack of respect for the common sense of the average Canadian, because the average Canadians across this country are coming to their own conclusion on free trade. A lot of them are saying that they are put off by extreme arguments on either side, and I agree with them.

It is easy, Mr. Speaker, I think to get carried away in some of the arguments and there have been arguments on both sides of the issue that have led to that happening. But people, in their own individual daily life looking at this very important decision are making it by balancing not just the rhetoric, not the exchange we saw, as I said, whose grandfather had built the country more than the other grandfather. People I found were generally turned off that particular approach but they have been basing it on information, they have been basing it on gut instinct about what their vision is for this country, and that is the way I approach this issue.

Because I think fundamentally what we are talking about is a debate over the future of Canada, and I really believe that the Free Trade Agreement will be negative in terms of Canada's future. I have gone through the details, I have gone through them as a political representative. I felt it was important as a Member of the Legislature for Thompson.—(Interjection)—For the Minister of Labour (Mr. Connery), he has an open mind, in Portage he booted the anti-free trade float. That is how much respect he had for the other side of the issue. But I can tell you that I looked at this issue and I looked at it carefully, both as a Member of the Legislature—I am also an economist by background. My wife is an economist, she has looked at this issue, and the bottom line is that I feel it is a bad deal for Canada. It goes far beyond trade, and we have given up sovereignty in so many areas in this agreement. That is a thing I think that was the fraud that was perpetuated by the Prime Minister, the ultimate fraud. He said in the debate, after two years, that now, all of a sudden, oh, well, it is not really as important as we said it was, it is only a commercial agreement and after six months notice we can cancel that commercial agreement.

Well, Mr. Speaker, the Prime Minister is saying that we can unscramble the omelette, that is what he is saying. How ridiculous can you get? If we commit ourselves to this trade deal, does the Prime Minister believe that we can honestly, with six months' notice, just go to the Americans and say, that is it, we have changed our mind, we are going to backtrack? Does he think that politically we can do that, or economically we can do that? Well, the Minister of Labour (Mr. Connery) I think is a greater fool than I had even thought previously if he suggests that we can, without

consequence, cancel the deal. Because if we do get into the situation, it will create I think irreparable damage to the existing trade which we all want to see continued, the existing trade with the United States, our major commercial partner. What concerns me the most about what this Conservative Party has done to this country is I will predict now that the free trade deal will not go through. I think that is clear from the way the election is headed.

Why did the Prime Minister of Canada, without any mandate from the people of this country, bring us this far down the garden path on free trade? Why has he put us in a situation where there will be damage in our relations with the Americans if this deal does not go through? There will be. I have no doubt about it. Why did the Conservative Party not seek a mandate first from the people of Canada, do the honest thing, tell them up front that they were the free trade Party, go through an election and if they received a mandate, then implement free trade? Why did they not do that, Mr. Speaker? I think it is because it is more than just a straightforward hidden agenda. We have come to know that as being a classic Conservative tactic.

I know John Crosbie, in the last election, was asked what he would do if the Conservatives were elected. He said, I cannot tell you that because if I told you that, we never would be elected. I suspect that was the thought with free trade. I suspect there were Conservatives in 1984 who saw the free trade as being a potential issue that they would develop. I think they thought they could bring it in without having it raised in the election, make it a fait accompli and force Canadians to accept it. Well, how wrong could they have been?

The Minister talks about polls. We can talk about polls if he wants. The opinion of the Canadian public is shifting traumatically against the Free Trade Bill. People are saying yes, I am in favour of various trade agreements but I am not willing to see Canada's sovereignty sacrificed. (Interjection)- They laugh. They should talk to the people out there. They should get out of this Chamber and talk to the people of this province because the people of this province are dead set against the Free Trade Agreement.

**Mr. Speaker:** Order, please; order, please.

**Mr. Ashton:** That is why it is dead, Mr. Speaker.

**Mr. Speaker:** The Honourable Member's time has expired.

There was leave to leave it standing in the name of the Honourable Minister of Industry, Trade and Tourism (Mr. Ernst). The Honourable Member for Brandon East (Mr. Leonard Evans). (Interjection)- The Honourable Minister of Industry, Trade and Tourism.

**Hon. Jim Ernst (Minister of Industry, Trade and Tourism):** Mr. Speaker, I want to put on the record a few comments with regard to this particular Bill.

I cannot help but be encouraged by the Member for Thompson (Mr. Ashton) and his rhetoric of a few minutes

ago indicating that for the first time the whole Free Trade Agreement is now being debated at the insistence of the Tories, that we have been somehow flushed out of the woodwork with regard to this particular agreement that all of a sudden some facts have to be put on the record instead of the kind of misinformation that has been put on the record, the kind of fearmongering and scare tactics that have been placed on the record by both the Liberals and the NDP over the past few months, few years almost.

The time has come and people have come forward because they thought that for the first time maybe common sense would prevail. Maybe the average person said, when they take a look at the essence of a Free Trade Agreement, that common sense would prevail.

Instead, we have seen the kind of rhetoric that has gone on throughout the federal election campaign with all kinds of misinformation, misstatements being placed in front of the public and in fact creating such an anxiety out there—unfounded, I might add—but an anxiety, nonetheless, that the facts now have to be brought forward. We have to see who is coming forward to say who is in favour of free trade and what it means to Canada.

We saw the other day an indication when the Minister of Finance (Mr. Manness) was asked the question, what has happened to the Canadian dollar today? There, Mr. Speaker, we saw what happened when all of a sudden the question of the Free Trade Agreement was now placed in doubt by certain polls brought forward that indicated perhaps a rise of one or another of the other Parties.

That created a ripple effect through the economy of North America. That is how important the Free Trade Agreement is. That ripple effect saw the dollar drop for the first time in many, many months a very significant amount. Not only that, there were predictions now coming from economists that said if the Free Trade Agreement was not passed and not put into place, we would see some dire consequences on the North American economy and particularly in the Canadian economy. They were talking 65- or 70-cent dollars and 20 percent interest rates as we had under the former Liberal Government in Ottawa. That is the kind of concern that is created by the question of not dealing with the Free Trade Agreement, of not bringing forward the kind of economic stability we want to see in North America, particularly in this country, and the kind of jobs that we need for our children and our grandchildren.

But this, Mr. Speaker, is no different than the kind of conspiracy that has been in place by the federal Liberal Party to bring forward this kind of misinformation and scare tactics forward to the people of Canada. It is not much different. It is no different, quite frankly, than the Bill introduced by my honourable friend from St. Norbert (Mr. Angus) with regard to water, the question of water and the great fear they were somehow going to tilt the continent and the water is all going to run into the United States because we signed a Free Trade Agreement, or that all of a sudden all of the snow is going to blow down there and melt,

or in fact we are even going to truck the snow down to the border and dump it over to the other side and sell it.

\* (1720)

Quite frankly, as I said the other day in speaking on that particular Bill, I think the City of Winnipeg, for one, might well be happy to be able to sell the darn stuff instead of trying to find some place to put it. But I think that whole argument is, quite frankly, specious because the only snow that gets traded between the United States and Canada is what the wind blows back and forth during the wintertime.

The whole question of sovereignty is now in question. Are we going to lose our sovereignty? Are we now going to become the 51st state? Well, if we did become the 51st state, first of all, we would be the biggest state. I wonder how many Congressmen we would have. Of course, would we have two Senators? Of course, as I heard this morning, would Allan MacEachen be one of them? Or would, for that matter, Nathan Nurgitz be the other? Or maybe it should be Doug Everett? Well, whoever, Mr. Speaker. I think the whole question is silly that we are going to lose our sovereignty over an agreement.

Over 75 percent of the trade barriers between our two countries, Canada and the United States, have been eliminated since 1947. We have not become Americans. We have not become the 51st state. We in fact are here in this Legislature under the rules and regulations of a Constitution as signed in Canada, made for Canadians, not by Americans, not by the United States, and we do not report to the President. We have democracy in Canada. We have the rights for democracy in Canada as a result of having 75 percent of our trade barriers reduced. So who are we kidding?

Mr. Speaker, Bill 13, I think, is redundant. It is as redundant, maybe even more redundant than the Bill introduced by my honourable friend from St. Norbert (Mr. Angus) with regard to water.

Manitoba Hydro is a public utility. Now, we have all heard that statement—a public utility. What does a public utility do? It produces electric energy. It does that at least cost in order to provide that service to the people of Manitoba. It is not a social program. It is a public utility, and dealing as a public utility it must carry out its mandate. For instance, the former Government committed \$1.8 billion to build Limestone well ahead of its time. Why did they do that? They did that so they could sell hydro to the United States. They told us they had three power agreements. It turned out only to be one.

But, Mr. Speaker, we now have only 20 percent of our hydro committed out of Limestone, and that is only going to start in 1993 and it is only going to be for about a five- or six-year period. It is not going to be any longer than that. So we are going to have substantial capacity out of Limestone built well ahead of time and we are going to have all of those interest costs to bear. Who is going to bear them? We all know who is going to bear them. It is the Hydro ratepayer who is going to bear them, you and I and every other hydro ratepayer

in the Province of Manitoba. That is who is going to pay those costs.

But we have on the other side of the border, all of a sudden now, people who make electricity from coal-fired steam. The Americans have abundant reserves of coal, enough to last several thousand years—several thousand years worth of coal. All of a sudden now, the people who mine the coal and sell the coal and work in the coal mines and produce hydro-electric energy through those steam-fired coal plants, all of a sudden are concerned that we are selling them our hydro-electric energy.

So they want all of a sudden now to create a lobby. Steam-fired generators is the normal way that—

**An Honourable Member:** There is one at Brandon.

**Mr. Ernst:** There happens to be two in Manitoba, interestingly enough. We have one of those in Brandon and we have the other one in East Selkirk. They are coal-fired steam generation units.

Mr. Speaker, I do not want to digress too much from my address because I think it is important to recognize that those coal-fired steam generation plants in the United States are now concerned that we are going to take away jobs, we are going to take away economic activity, and by the way, by sending them electric power generated by hydro, we are also going to take away a little acid rain.

But all of a sudden now, those who are opposed to free trade, opposed to gaining access to that U.S. market for our hydro, opposed to seeing our hydro-electric energy sold to the United States on a commercial basis, the way it is done now without a Free Trade Agreement, but access is the key because that coal lobby in the United States is kicking up a fuss now because of the potential job losses and economic losses to them as a result of our hydro traversing the border. That, Mr. Speaker, we have to be concerned about.

Robert Bourassa, as the Premier of the Province of Quebec, a Liberal Premier, fully supports the Free Trade Agreement because he has got five times the investment in hydro to sell to the United States than we have. He knows full well he needs that access if he is going to be able to support the debt and the operating costs of his hydro-electric generating plants because they were built to sell hydro to the United States, built to produce that electrical energy for the northeastern seaboard which is so hungry for that kind of energy.

Let us give consideration for a moment to the fact that we need that access to the U.S. market. The Free Trade Agreement gives us that access and we cannot close our eyes to the fact that that is the case.

With regard to the question of energy in general, we have seen the question brought forward that all of a sudden now we have to worry because we have to sell some of our—or we are allowed now and guaranteed access to sell some of our energy to the United States at a profit. Imagine that!

The fact that the people that own our reserves and operate companies in Canada, creating jobs for the

people of Canada, are now able to sell their product into the United States on a free trade basis without fear of loss of access of that market and without being forced into a National Energy Program like was forced on them by the former Liberal federal Government—and these people no doubt support that principle—but where the western provinces were raped by the federal Government in favour of eastern Canada, that, Mr. Speaker, these people support.

That is not something that we support and we think by having an appropriate energy program, by having a Free Trade Agreement, we are able to flow our products into the United States and to sell them on a commercial basis by contract to American customers.

The Member for Flin Flon (Mr. Storie) earlier raised the question of a legal opinion from a judge from Alberta with regard to the sales of export hydro power. It is interesting to know, and I talked to the Member for Flin Flon aside in the House and I said, are you really serious about this? I mean some judge in Alberta comes up with some kind of an opinion that says that all of a sudden we are in trouble if we enter a Free Trade Agreement with respect to our hydro.

He said to me, look, judges are going to rule on the question of free trade in the future and if judges are going to rule eventually on commercial law, trade law in Canada, on the question of trade in the future, he said, then we must listen to what judges have to say now. That is what he told me. He said we must listen to what judges have to say now because in the future those things are going to come to court and when they come to court in Canada, those judges, of course, will be rendering opinions. Some will render opinions on one side and some will render opinions on the other. So I said, well, that is very interesting. I will look into that further.

I did look into it further. You know what I found out? I found out that the judge from Alberta, the retired judge from Alberta who ventured forth that opinion was a Family Court judge, not a judge dealing with commercial law, not a judge dealing with trade law, not a judge dealing with any kind of commercial contracts at all, but quite frankly, it was a Family Court judge, retired, who was venturing forth this opinion. That was very interesting because Family Court judges presumably do not usually deal with issues related to the economy or issues related to trade. They generally deal with issues related to family breakdown or custody of children and things of that nature. So the expert opinion offered by the Member for Flin Flon (Mr. Storie) through this opinion by the judge from Alberta, I think is somewhat suspect considering it is a Family Court judge.

We also have to consider what that does to other portions of industry in Manitoba, particularly those of the electrical industry. Mr. Speaker, because my time is reaching an end here, I want to comment briefly on one further issue; that is the question of what does it mean to Manitoba's business?

\* (1730)

We have heard all kinds of experts, so-called, across the way making statements about free trade, about

how it is going to affect business and so on. Let me tell you that I, over the past three weeks, have consulted with almost every sector in Manitoba's economy. I have had any number of people in meetings. We have had agricultural people, we have had people in a variety of industrial areas, we have had people from all of the commercial associations. I have not found one yet who opposes the Free Trade Agreement, not one. Out of all those people that I have dealing with and spent some considerable hours dealing with it, not one has been opposed to free trade.

**Mr. Leonard Evans (Brandon East):** I find it rather amusing to listen to the Minister of Industry, Trade and Tourism (Mr. Ernst), because he tells us he has been talking to many people in the last couple of weeks and he has not run across one person who is opposed to free trade. All I can say is he is engaged in a very biased kind of a sample. He certainly is not getting a cross section of the public—(Interjection)—Well, I would ask him, did he talk to the president of Comcheq Enterprises, a large data processing company in this—(Interjection) Okay. He is a businessman. Did he talk to the people from McCain's?

**Mr. Speaker:** Order, please.

**Mr. Leonard Evans:** This Bill that has been introduced by my colleague certainly is intended to protect the interests of the people of Manitoba to ensure that the development of Manitoba Hydro resources is for the benefit of the people of Manitoba first and foremost.

The Bill, of course, certainly allows for the sale of energy to the United States but subject to the needs of Manitobans and other Canadians, and it is meant to ensure that prices charged to the United States buyers for firm power will be more than the price charged to Manitoba consumers. As the Member for Flin Flon (Mr. Storie) has said, certainly we are not opposed to any large energy export to the United States, in fact, we have worked on this, but we do want to ensure that there is a reasonable return to Manitoba Hydro, to the people of Manitoba. This is what this legislative amendment is proposed to do.

We believe that the energy provisions of the so-called Canada-U.S. Free Trade Agreement are really a sell-out of Manitoba's ability to provide a stable, diversified and prosperous economy in this province. We believe we should be entitled, and I would have thought the Minister of Industry (Mr. Ernst) would be interested in this, that we should be entitled to attract industry with low cost energy resources and we should have the right to protect Manitoba consumers in the event of energy shortages.

I would point out, and I guess some people may be very puzzled, who would ever have energy shortages in Western Canada where we are so rich in energy? I can think back to approximately 12, 13 years ago when we did have a shortage of natural gas in Manitoba. The Province of Alberta was exporting natural gas in spades to the United States but Winnipeg housing developers could not obtain sufficient gas for new construction of homes in Winnipeg. This was in the

west end of Winnipeg. I was Minister responsible for Energy Policy for the Province of Manitoba at that time. I had to go after the federal Minister of Energy, at that time, on behalf of developers in the City of Winnipeg who could not get enough natural gas for housing developments in this city.—(Interjection)—They were not selling to an NDP Government. They were selling it to the utilities.

Mr. Speaker, here is a specific example where the producers in Alberta found it more in their interest to sell to the United States than to worry about Canadian customers and Manitoba customers. It was a very serious —(Interjection)— Well, the National Energy Policy was not really working effectively. I find it thoroughly amazing for the Minister of Industry, Trade and Tourism (Mr. Ernst) to get up and lambaste the National Energy Policy that had been in existence and say how terrible it was, how bad it was. He obviously does not know—I know he does not know—that Manitoba is a net consumer of energy. We consume natural gas. We certainly do not produce enough oil for our purposes. The National Energy Policy at that time saved Manitobans hundreds of millions of dollars. Hundreds of millions of dollars were saved for the consumers of the Province of Manitoba.

If you want the consumers of Manitoba to get up and tell the voters that you wanted the consumers of Manitoba to pay hundreds of millions of dollars more because hundreds of millions of dollars more over a period of years would have been the case. In fact, there is an estimate that the Canadian consumers in total would have lost around \$55 billion. So we take a small fraction of that, our 4 percent, 4.5 percent of our population; it is easy to calculate that we are looking at a couple of billion dollars over a period of years.

But obviously, the Minister of Industry, Trade and Tourism (Mr. Ernst) does not know that. The fact is we are better off. We were better off—and I say this, I guess, in historical hindsight—but we said it at the time to have the lowest possible prices in Manitoba. Not only did it affect the consumers directly but it affected Manitoba business.

So if you want Manitoba business to pay more for energy prices, you are hurting those businesses. You are limiting their growth. You are imposing more costs on them. If you want to—in fact, I remember economic studies done at the time. Every time the price of gas or oil rose by another dollar the Manitoba business would lose by X percent. There were studies made. It was even calculated in terms of job losses. So do not let any Minister of Industry stand up in here and brag that we do not have a National Energy policy or say how terrible the National Energy policy—maybe I should say that—was because it did benefit Manitoba business. The Minister does not know of what he speaks.

This Bill was made necessary by the proposed Free Trade Agreement that we have been talking about today as well in Estimates. What we are talking about when we talk about the energy section of the Free Trade Agreement is probably one of the major components of the agreement. That is why it is really misnamed Free Trade Agreement. It is far more than a Free Trade Agreement. It is an agreement for economic union of

the United States and Canada and the energy section is surely the major prize for the Americans in this respect.

As a matter of fact, if we did not open it up to energy, I do not think the Americans would have been interested in talking any further. Energy had to be put on the bargaining table. Maybe many Canadians did not realize it at the time, but it had to be put on the table to have any kind of agreement, to have any kind of negotiation. So what we have got is an agreement that is virtually trying to establish a continental market for every kind of energy product we have, whether it be oil, natural gas, coal, or their derivatives, or electricity or uranium. The fact is, in our judgment, this goes against Canadian national interest.

We will lose our right to use minimum export prices. We will lose taxes on exports. We will not be able to have export quotas as instruments of energy policy. The National Energy Board's power to regulate industry will also be seriously weakened. Other countries in the world have entered into trade agreements. None of them, or none that I know of, have given up access to their energy resources. Japan has bilateral agreements with countries, or Mexico and the United States, that is maybe a better example. Neither country gave up their right to determine how energy was to be used, but we are. England joined the common market without giving up one iota of its sovereignty over North Sea oil. On the other hand, we can give up our access to Canadian resources.

\* (1740)

The Canadian Consumers Association of Canada has come out totally against the proposal of the Free Trade Agreement to give up Canadian resources as well. I am quoting from one part of a statement that was issued by the Consumers Association of Canada: "We are at a loss to understand how a Government which has the interest of Canadians at heart would enter into an arrangement with a foreign power which would provide that power even greater access to the diminishing supplies of these essential oil and gas commodities." So here is a representative of consumers in Canada not understanding what the Canadian Government possibly would be up to.

It is interesting, incidentally, talking about the National Energy Policy and the National Energy Board, why the Bourassa Government is very much in favour of the Free Trade Agreement, because they want to wipe away any constraints to selling Quebec hydro to the United States. As we know, the Bourassa Government, the Quebec Government, did try to sell \$3 billion worth of power.

**An Honourable Member:** Who did you sell power to, Len, when you were Government?

**Mr. Leonard Evans:** We sold power to the United States. We went through the National Energy Board, and we were pleased to go through the National Energy Board, and they confirmed all the cost estimates, the revenue estimates and authorized it.

Mr. Speaker, what happened with the Quebec deal or proposed deal to sell \$3 billion worth of power to

the New England Power Pool was that the utility failed to get the approval of the National Energy Board. They went to the National Energy Board as they had to, and the National Energy Board ruled that the utility, Quebec Hydro, had failed to prove that the electricity was surplus to foreseeable Canadian needs. Manitoba was able to pass the test but Quebec Hydro was not. The National Energy Board found that Quebec Hydro had not offered the electricity first to other provinces before selling it to the New England Power Pool.

So, in effect, what we have got now under the Free Trade Agreement will be a matter of no longer giving preference to domestic energy markets. In fact, giving preference to domestic energy markets is prohibited under the trade deal and I think we, as Canadians, as a Canadian nation, will be poorer on that account.

The Minister made a number of demeaning remarks about Marjorie Bowker, a retired judge in the Province of Alberta and he, the Minister of Industry, Trade and Tourism (Mr. Ernst), revealed to the world something he thought no one knew, that she was a retired Family Court judge and for some reason Family Court judges are supposed to be less intelligent. They are not supposed to be versed in the laws, I suppose. You are not supposed to be able to read and analyze.

**Hon. Donald Orchard (Minister of Health):** I would not say that, Len, what you just said.

**Mr. Leonard Evans:** Well, that is the implication of the Minister of Industry (Mr. Ernst) because the Minister of Health (Mr. Orchard) probably was not listening. I will not say the Minister of Health was not here. I will say the Minister of Health was not listening to the Minister of Industry at that time, because as far as I am concerned, he made a lot of demeaning remarks about Judge Marjorie Bowker.

The point is that we had a judge who is trained in the law, who had lots of time and made it a project to study the agreement and went through it. In fact she, like very few people in this country, read the agreement from page to page, every single line. She has concluded that the agreement was not a Free Trade Agreement necessarily. It was an agreement for union and economic harmonization with the United States.

Mr. Speaker, I would like to ask you, how many minutes do I have? One minute. Okay.

Just to conclude, I want to refer then to an analysis that was done by McLeod Young and Weir in terms of evaluating the Free Trade Agreement, and I hope the Minister of Industry (Mr. Ernst) would agree that they have some experience in this area. They say, "Energy wins once in the short-medium term via increased exports. The U.S. wins twice in the long term, once on access to energy supplies and again on the basis that we can no longer use cheap energy as an element of national or industrial policy," McLeod, Young, Weir, a very reputable financial firm. This is not the NDP speaking. This is a private enterprise financial firm of accountants, and that is their conclusion about the impact of the Free Trade Agreement on the energy sector. Thank you.

**Hon. Edward Connery (Minister of Labour):** I do want to say a few words on the Bill and partly on the free trade issue as it is part of this Bill. But this Bill in looking at it, and I do not know if they have read it, if I read the Bill correctly, it says that you cannot sell any power under certain conditions and what would this do to our interruptible sales of surplus power that we have now. I think that this Bill says that we could not sell that surplus interruptible power that we do have and for which we get a lot of money for, Mr. Speaker, and that would be a sad mistake.

Mr. Speaker, we talk about free trade in this deal and we hear a lot of quotes, an awful lot of lies that we have seen on this free trade debate.

**Mr. Speaker:** Order, please; order, please. Honourable Minister. Order, please. The Honourable Minister of Labour, unparliamentary language, making reference to lying.

**Mr. Connery:** I said there have been a lot of lies mentioned about free trade. I did not say which person

**Mr. Speaker:** Order, please; order, please. I will review Hansard, and I will return back to the House with it. Thank you.

**Mr. Connery:** Mr. Speaker, in the free trade deal, what we are getting is a window of opportunity. It is a very important window of opportunity. If we do not seize upon this opportunity, all of the things that we have worked for for generations could be put at risk and will be, in fact, downgraded because we need trade desperately.

In 1960, when I decided to go to Portage la Prairie and we changed the way that growing vegetables was done in Manitoba, everybody said that we were crazy because it was a drastic and radical change. It would not work in Manitoba, it was American style and specialization and mechanization would not work. Mr. Speaker, we went to Portage la Prairie and we were quite successful, but it was not an open bank account. I had to do it the old-fashioned way. I had to earn it and, believe me, we worked awful hard and I am very proud of that.

Mr. Speaker, what the free trade will give us now—by the way, my three sons or our three sons are now running the farm. It is our 35th wedding anniversary on Monday so I almost blew that one. Mr. Speaker, it is like the old saying, son says to father, father, we can run the farm better than you can, and I guess in this case they were right.—(Interjection)—I hope so.

Mr. Speaker, what free trade will give for our farm and the horticultural industry in Manitoba is another window of opportunity. Maybe I will do a little bit of simple arithmetic for Members opposite so they might understand a little bit what free trade can do. Mr. Speaker, we grow a lot of broccoli on our farm and, prior to us going into it, it was all coming out of California because nobody in Manitoba was producing it or on the Prairies to any extent. Through free trade, we will lose about \$1 off our case of broccoli so, instead of

selling broccoli for \$11 a case, rounded figures, we will get \$10 for it. If before the free trade our cost of production was \$10, through free trade, because a lot of our inputs have duties on them, our cost of production will drop a dollar. So instead of having broccoli at \$11 a case we will be selling it at \$10 and still, hopefully, making the same margin of profit.

What it does now open up, because there are no tariffs now going into the States or with free trade which there is now, about a dollar a case, I will have broccoli at \$2 a case cheaper than what I have without free trade. I will have the window of opportunity to 3.5 million people in the Minneapolis-St. Paul area at 450 miles away where Edmonton and Calgary are looking at some 800,900 miles away to get their product there. This is a little bit of an example of what free trade can do. It is a very simple analysis but this is what free trade can do for the horticultural industry and it can do it for a lot of other industries in Manitoba and Canada.

\* (1750)

I was very interested to hear the words of the Member for Brandon East (Mr. Leonard Evans) when he mentioned McCain's. McCain's have a plant in Portage. They have one in Florenceville, they have another one in New Brunswick. They also have a plant in South Dakota, and they also have a plant in Washington right now. As far as McCain's being hurt by free trade, it is just a farce. McCain's are competing very competitively in the Pacific Rim, and mainly Japan, with Manitoba potatoes out of Portage la Prairie against potatoes produced in the United States. With free trade, if some of the input costs for McCain's drops and their cost of production is lower and they can sell cheaper into the Pacific Rim, we will then be able to compete more competitively with the Americans than what we are now.

The reason that Harrison McCain is opposing free trade is because he is trying to break the growers organization so he can get potatoes dirt cheap at the expense of the growers in Manitoba. Members opposite are prepared to support that. You go and you have lunch with him and you talk about the deal. The Member for Brandon East (Mr. Leonard Evans) should be ashamed of himself to be a part of that deal. He is being against the growers in Manitoba.

Now I hear the Member for Flin Flon (Mr. Storie) up there yapping away as he usually does most of the time and damaging the environment of Manitoba with his verbage. He is against free trade. What is in the North? If it was not for mining, would there be a North? If it was not for Hudson Bay Mining & Smelting, would there be a Flin Flon? You would not be a Member for Flin Flon because there would be no Flin Flon. There would be no people there. What is free trade?

I have here a document from the Mining Association of Canada. It is a very interesting document because—Mr. Speaker, there is a lot of wind coming out of the North—

**Mr. Speaker:** Order, order.

**Mr. Connery:** Mr. Speaker, this is a several page document that the mining industry has put out but I

am not going to read it all to you. There are a few excerpts that I think are important that we take a look at. It says, what does the agreement do for the mineral industry, which is the North and is the mines in the North. It says: "It will expand mineral and metal export opportunities particularly in their processed form. Canada's mineral industry has been built on free trade principles and the mining sector is already a strong international competitor. Our new market access for processed minerals and metals will generate economies of scale to make this sector more competitive, not only in North America but at a world level."

This is from the mines themselves, Mr. Speaker, the people who know what they are talking about and the ones who are creating jobs. They talk about, and they say would the agreement not in fact hurt mineral processing in Canada by eliminating existing two-price systems for energy. And what do they say about this, Mr. Speaker? They say: "Aluminum smelting provides a clear example of how Canadian producers will enjoy further processing advantages. You generally bring the raw materials to the energy source, not vice versa. Alcan has already publicly stated it is prepared to increase its investment in Canada if the Free Trade Agreement is approved."

Of course, we already had one chance to get Alcan and this NDP Government blew that and we lost all of those jobs that should have been there.

Then they put forth the hypothetical question, is there not a danger that U.S. mining companies will swallow up the Canadian mines? They say, no. For the most part, Canada's Mining industry has been built by Canadians who have seen an opportunity to sell their products in North America and world markets. It says, for the industry as a whole, Canadian ownership exceeds 60 percent. They do not expect any significant changes in this level due to the Free Trade Agreement.

It says there may be more concerns in the U.S. about Canadian companies buying U.S. interests. Canadian based mining companies are among the largest in the world and would not easily be swallowed up by U.S. companies, which are often smaller.

The Member for Thompson (Mr. Ashton) should be very cognizant of the fact that the nickel industry is the total lifeblood of Thompson.

**Some Honourable Members:** Oh, oh!

**Mr. Connery:** You see, that just shows you how little he understands about free trade. Yes, nickel is exported into the United States duty free at this time but we have seen a lot of other commodities that have had countervail, improper countervail imposed upon a lot of our products.

**Mr. Speaker:** Order, please; order, please. The Honourable Member for Lac du Bonnet (Mr. Praznik) and the Honourable Member for Thompson (Mr. Ashton) seem to be carrying on some private conversation. We have ample room out in the hallways.

**Mr. Connery:** Well, thank you. Oh, I should not refer to them. He is against free trade. While the nickel goes

into the United States duty free now, I do not know if the Member understands, but there is a huge smelter that is in mothballs in New Orleans and the reason that it is in mothballs is because the Americans used to get their ore from Cuba and because of their disagreements with Cuba and the embargoes on trade, that smelter is dormant. But if the Americans, and they eventually will, make trade again with Cuba, you will see that huge smelter in New Orleans producing nickel and the Americans will need a lot less nickel that what they are getting from us today. So I think that free trade assures us that this new mine that is going in, the 160 jobs that are going to be created in this new mine at Inco will be there for many, many years to come.

The Opposition speaks about environment, and their Leader, the Leader of the NDP federally said that free trade would prevent subsidies. Everybody knows that is foolish. Joan Cohen, in the Free Press today, or yesterday, said that is absolutely foolish and everybody knows that subsidies can trigger countervail right now without free trade, and after free trade if there are improper subsidies, could trigger countervail again, except this time we will not have to go hat in hand to Washington begging for proper adjudication. There will be a tribunal which will have an independent head so that it will be determined under the law of the country, whichever country it is, Canada or the U.S., in a proper way according to the law of those countries.

There are several areas in the Free Trade Agreement that protect our environment and protect Americans or anybody from doing something that is not good. Article 402(3) sets out rights and obligations with respect to trade in services, allows differential treatment of Canadian and American service providers for prudential, fiduciary, health and safety for consumer protection areas.

Article 1602(8) which requires national treatment of investors uses the same language to permit differential treatment, thus Canada might be willing to dispose of domestically produced PCBs in a particular treatment plant but prevent an American-owned toxic waste disposal service in this country from importing U.S.-produced PCBs because it would be imprudent or unsafe to import from another country. We have that protection under free trade today.

As far as the Liberals go, it was quite interesting, a quote that we have, and it says, "If some day we can agree to the sharing of this continent's water by offering some of our water for export, we might want at that time to insist that if water is to be considered as a continental resource, markets should also be considered on the same basis. We might wish to export water, not for money, as we sold power under the Columbia River Treaty, but in return for access to your markets." Yes, who said that? The Leader of the Liberal Party, John Turner, made that comment. He was going to give it away to have access to the American markets. Now, at one time in his life, John Turner had some common sense. As Simon Reisman said, the John Turner you see today is not the John Turner that he knew when he was working in his department. Mr. Speaker, they can talk about flipflop but there is one of the biggest ones that we have seen.

When we—

**Mr. Speaker:** Order, please. The Honourable Minister's time has expired.

The hour being 6 p.m., this House is adjourned and stands adjourned till 10 a.m. tomorrow morning (Friday).