

THE LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 11, 1978

Time: 8:00 p.m.

SUPPLY — MUNICIPAL AFFAIRS

MR. CHAIRMAN: Gentlemen, come to order please. We're on Municipal Assessments, Item 4., on Page 61. 4.(a)Salaries — the Member for St. George.

MR. URUSKI: Thank you, Mr. Chairman. At the 4:30 Private Members' Hour, we were just getting into the area of assessment, and the Minister had indicated that there is no change in the level of staffing irrespective of continuing falling back of upping the re-assessment program in the province. He indicated though, that he was doing some work within the department in consultation or liaison with the City of Winnipeg and I believe, the urban municipalities he was mentioning. I wonder if the Minister could elaborate on what direction he is taking in this area; I would like to question him a bit and find out which way he is moving and what his intentions are in terms of examining the Assessment Act and structure. There is no doubt that there has been dissatisfaction expressed on both sides of the House and especially by members of his group when they were in opposition that there should be some drastic course of action taken in the assessment field, and I am hopeful that the Minister is going to embark on some moves, but I certainly would like to have some indication as to the general direction that the Minister is moving.

MR. CHAIRMAN: The Minister of Municipal Affairs.

MR. MERCIER: Mr. Chairman, at this particular point in time, we are the branch over the last several years has been, in their reassessment program, gathering and putting on record base data which could be readily upgraded to whatever changes might be put into the system without having to do an actual on-site check for future purposes. That has been going on, if I recall correctly, for the last number of years so that base data is in the process of being upgraded. But I'm certainly interested in the new approach and the areas that the Minister speaks about in terms of the changes to the Assessment Act.

We all realize that from time to time, whether it was our administration or your administration, we have done some patchwork in terms of the exemptions in the assessment field. While we allowed exemptions in one area, we created a number of difficulties in another area resulting in delegations and complaints and other people saying, "Well, if you can do it for so-and-so group, why don't you do it for me?" So there certainly is ample information on record with respect to the dissatisfaction in terms of being able to, I think, understand the whole system by much of the general public to be able to appreciate what it involves and I'm hoping that the Minister might — and I might suggest to him — I don't know what type of in-depth study that he is looking at, maybe he can give us some more of his thinking in this light.

MR. MERCIER: No, I can't, Mr. Chairman. Really, we have just arrived at the point where the problem has been recognized and we're just embarking on the review and we don't have sufficient data gathered in order to make any decisions at this particular point or in order for me to make any prognosis, if you wish, as to where we are and in which direction we intend to go.

MR. URUSKI: Could the Minister indicate as to what groups he envisages being involved in this over-view in terms of looking at the entire assessment field?

MR. MERCIER: At this particular time, I see only in-house people being involved with perhaps some co-operation from City of Winnipeg assessment people.

MR. URUSKI: You're really talking about initially a technical group from within both departments to examine the problem areas that they have been faced with over the last number of years and then look at the whole area so that's where you are really beginning.

MR. MERCIER: That's right.

MR. URUSKI: I would hope, Mr. Chairman, that the Minister certainly would take cognizance of the speeches that have been made by his members, by his rural members, over the last number of years, and move as expeditiously as possible in the areas that they had recommended, without my even citing the areas to him. I think all he has to do is speak to some of his colleagues from rural areas who —(Interjection)— Oh, likewise. I think my former colleague, former Minister of Municipal Affairs, faced the same comments, and he may have had a tough hide and shrugged some of our comments off. I'm hoping that the present Minister of Municipal Affairs will certainly move in this direction to at least indicate to the public that he is aware of many of the problems that have been raised, and that they intend to deal with the area in assessment, to re-evaluate it and see what areas can be overhauled or whether the entire system needs overhauling, whether the exemption systems should

continue as they are, or what innovations could be brought into the assessment field.

Has the Minister given any thought to possibly setting up a short-term commission, rather than having the department deal with it as a department, whether he might want to put in or set up a commission of primarily, people who have had great experience in the municipal field, who have some knowledge of the assessment process, and some technical people that are involved in the assessment field to deal with this area.

MR. MERCIER: That's certainly one possibility, and maybe a format that we might consider when we have something concrete to work with as a result of our review, but the whole matter has drifted for so long that something has to be done. I certainly would be open to any suggestions from the member, or any other member here, as to how they would see a proper review of it being accomplished.

MR. URUSKI: The Minister, then, is pretty well moving along the lines that the Task Force has recommended in terms of the assessment area in a very nebulous way, and in a very indirect way, and the Minister himself is — well, on Page 121 of the Task Force Report, it makes the same vague statements as the Minister has been making to this Committee, that a need to review the basis for assessment, including review of exemptions, and the possibility of computer-assisted assessment, which I think has been known to the branch all along, to enhance effectiveness and efficiency. The Task Force recommends that a comprehensive review of these areas would benefit both local government and the Provincial Government, particularly since local government pays the majority of assessment costs. It is further recommended that a longer range project of updating assessments by 1982 be established with specific annual objectives for each assessment office. In light of those comments, Mr. Chairman, and in light of the restraint program on staff and the like, I wonder how the Minister himself and the department intend to accomplish some of the recommendations that have been set out by the Task Force or even attempting to not meet because I don't think it's possible because it hasn't been possible over the last 15 or 20 years to maintain the legislative mandate of doing the assessments on time but of at least keeping on par and not falling behind the assessment process, whether it is possible for the Minister to indicate to this committee that the assessment process will not fall even further behind than it already is without any increase in the Assessment Branch.

MR. MERCIER: Well, we had, in the department, decided to embark on this review of assessment prior to the Task Force Report having been made. Very early in my term as Minister it was indicated to be a serious problem. We intend to embark on this in-house review. I would think that we will have some sort of report by the fall of this year and we'll have to make a decision as to the manner in which that is going to be followed through, whether there will be a commission, whether there will be public hearings, what sort of format will be followed, but it has to be done fairly expeditiously and it's a serious enough problem that I would think that if additional moneys are required in order to accomplish a commission or whatever body is required to complete the review and to prepare any changes in legislation that might be necessary that we can do that by this time next year. I would hope that we will certainly endeavour to be in a position not to allow the assessments to fall further behind. We simply can't stand that.

MR. URUSKI: Well, is the Minister then indicating that even without any staff increase at this time, he will be able to maintain the same ratio of assessments as has been at least in the last number of years. I know we did fall behind and then we had a fairly sizeable increase in the Assessment Branch over the last year or two but this year there has been just no increase whatsoever.

MR. MERCIER: Mr. Chairman, I understand that although the complement of the assessors was increased during the past few years, I think the member will recognize that they are at that early stage of employment in the Assessment Branch, are really trainees and it requires a good deal of experience to be able to carry out their tasks sufficiently and probably by now, after a few years, hopefully their efficiency and productivity will improve sufficiently that we will not fall any further behind than we were allowed to in the past eight years.

MR. URUSKI: Mr. Chairman, all I will say now is that I will believe it when I see it and I look forward to the recommendations that the Minister has and will make and I will refrain from making any further comments now.

MR. MERCIER: I appreciate that comment.

MR. CHAIRMAN: The Member for Selkirk.

MR. PAWLEY: Mr. Chairman, I would also wish to draw the Minister's attention to the worthy presentations that were made in the past few years by members of his party in the Legislature during Municipal Affairs Estimate review in regard to assessment. I recall very vividly the contribution by the present Speaker of the Legislature, and I believe also other members of the now government contributed from time to time on the issue of assessment. You have gained your mandate, Mr. Minister, you are now government and I must say to you that I expect that you will carry out the

representations that were made by yourself and your members while you were in opposition.

So I would ask you, Mr. Minister, if you have carefully read the positions taken by your members in the last three or four years and whether or not it is your intention to proceed along the lines as were advanced during that period of time because, as I say, you now have the mandate; you have the ball in your court. Let me say that the Member for St. George and myself certainly received many gems of wisdom from your members and I suppose your members would say that we didn't accept those gems of wisdom. You are now in government and specifically I would draw your attention to the position which was repeated again and again that assessment in Manitoba should be based upon the productive value of the land, not on sales value. The constant criticism that was launched while we were in government, that we were failing in this respect, and I am asking you therefore, Mr. Minister, whether you intend to undertake some major changes in this regard in view of the, as I indicated, the worthy contributions made by your colleagues in previous years?

MR. MERCIER: Mr. Chairman, I haven't had an opportunity to even read the pearls of wisdom that were offered in debate by my fellow colleagues but if it is reassuring to the Member for Selkirk, I am sure that they will not allow me to proceed without taking seriously and fully into consideration their comments and their proposals as they relate to assessment. I am sure that they will be taken into consideration and now that we have the mandate, as you say, to carry out this review, I can assure you that it will be done.

MR. PAWLEY: I would just mention to the Minister that it wasn't a review that your colleagues were requesting; they were asking for more specific effort in respect to some changes in assessment practice in the province.

MR. MERCIER: I am sure that they will bring those to my attention.

MR. PAWLEY: Well, I am awaiting their contribution during this debate. Could I ask the Minister, in respect to the review that he made reference to, an in-house review, whether or not that review includes a reference to the existing situation pertaining to the mining companies in northern Manitoba and the fact that they are not assessed in the same manner as other ratepayers are assessed? Their agreements usually relate to some form of partial payment of taxes based upon various formulas, i.e. Flin Flon, Lynn Lake, etc. Are you reviewing the mining company assessments?

MR. MERCIER: I believe, Mr. Chairman, that that is a separate matter than assessment. I believe they are agreements as such and not directly related to assessment itself.

MR. PAWLEY: Could I suggest that the Minister look to Ontario and the initiative taken by the Ontario government. I really do believe, if I can say so, that we would have, if we had continued in office, taken some initiative along these lines to bring mining companies into the same area of assessment as other ratepayers in the province, in the same way that Ontario, Saskatchewan — I believe all provinces, except for Manitoba — have. I am wondering whether the Minister is seriously considering this area at the present time?

MR. MERCIER: That matter will be considered in the review.

MR. PAWLEY: Also, I would ask the Minister whether or not in his review he is weighing the inclusion of personal property as an area of assessment, in his review, fixed equipment and machinery in industrial plants and areas of that nature where now assessment is based solely upon the real property, the land and on the building — whether or not the personal property included within those industrial enterprises will be part of his review? I would refer the Minister particularly, and certainly Mr. McNairn is aware of it, to the Richmond Review which was done in respect to the inclusion of personal property in assessment.

MR. MERCIER: Well, I understand that it hasn't been done anywhere in Canada, the assessment of personal property, and that where it has been done in the United States, they are gradually getting out of it. But it is something, frankly, that I am not familiar with and I will make some enquiries in order to get an understanding of it.

MR. PAWLEY: I would suggest that the Minister look up a review which was done by Mr. Jack Richmond in this respect, for his consideration.

In respect to a review of The Assessment Act, I would like to just mention a precedent which was established, I believe some members recall it, where a legislative committee was formed. That was in 1972, I believe, and we received submissions from the public. I recall that we met in Brandon, Dauphin and Winnipeg and arising from that review, The Assessment Act grew. I would say to the Minister that certainly I concur that internal review is important to begin, but I do believe at some point you have to open your review up to the public at large and ascertain the experiences of members of the public as to their opinions, their impressions in respect to the existing assessment system in the province. I believe our review was quite successful. We received many submissions and

different ideas from those submissions became actual legislation.

I would therefore suggest to the Minister that he seriously give thought to, at some point during his term in office, a legislative committee to examine the entire area of assessment. Certainly it should follow this internal review the Minister's referred to. Certainly there has to be a great deal of in-depth material before the public hearings are held. But I do believe it belongs to a legislative committee and I do believe the Minister at some point should open this up to the public for their opinion and submissions.

MR. MERCIER: Well, Mr. Chairman, I appreciate the comments of the Member for Selkirk. I think there is no question that because of the involvement of the municipal organizations, the unions, the urban associations in the City of Winnipeg, that at some point in time there has to be a form of public hearings. And, whether that's by way of legislative committee or by way of a commission that the Meer for St. George referred to will have to be decided in the future. But I appreciate very much the suggestions, and any others that any members might have for carrying out a thorough review.

MR. PAWLEY: One more short question if I could, and Mr. McNairnay might have to provide some input in regard to this and this relates to, not reflecting upon our Minister, but this. . .

MR. MERCIER: I assume the Member for Selkirk relates back to his experience as Minister when he required Mr. McNairnay's assistance.

MR. PAWLEY: That's right. Exactly. The other day during Public Works Estimates, I raised the issue of openness when lands are being expropriated, that all the available facts are placed on the table by the Crown, so that the owner and the Crown are able to waive facts and better determine the values of lands that are being expropriated, and bettering the opportunity for the then appraisal commission to arrive at a fair value. I particularly raised the question of why field sheets, the assessor's field sheets in the Department of Municipal Affairs are not made available to the accredited appraiser that is involved in the process of doing an evaluation on property for purposes of preparing material for the Land Value Appraisal Commission. I see no reason why facts ought not to be opened up so that everyone has access to those facts. It's not a game, and yet it's my understanding that those field sheets are not made available, and it adds to delay and costs and uncertainty.

MR. MERCIER: Perhaps that's a matter we can take under consideration and advise the member later on.

MR. PAWLEY: Good.

MR. CHAIRMAN: The Member for Fort Rouge.

MR. AXWORTHY: Well, Mr. Chairman, I just had some inquiries about this assessment review really on two grounds. Can I assume that the terms of reference of this assessment study will include the notion of full market assessments similar to the system that's working in Prince Edward Island and that we can expect a report as to the feasibility of that? I recall that the issue has been raised the last couple of sessions, and that there was some inclination on the part of the previous government to undertake that particular examination as testy and weighty as it may be in terms of what the record of success of that system in Prince Edward Island and New Brunswick bears out — the necessity of properly examining its feasibility for the Province of Manitoba. Can we assume, therefore, we are going to undertake that kind of study now in this province?

MR. CHAIRMAN: The Minister of Municipal Affairs.

MR. MERCIER: We're at the stage, Mr. Chairman, where we're just getting an in-house study of assessment. The Member for Fort Rouge is perhaps suggesting that we, as a result of that study, should be moving in a certain direction, and it would be premature for me to indicate in which direction we're going to be moving in any particular area. The study is just starting now and we haven't reached the point where I've been able to arrive at obviously any decisions, any final decisions, because it's too premature.

MR. AXWORTHY: Well, Mr. Chairman, if I may, I'm not suggesting that the decision be made, I'm asking whether the study itself includes the examination of how to apply the particular system used in Prince Edward Island at the present moment, or others similar to it, which I frankly consider the most important issue related to assessment of them all. And, I would like to know whether that particular question of full value, of market-value assessment is going to be part of the terms of reference of the study? Is it included in it, and can we assume, therefore, that we will be undertaking a proper study in the province of that very important issue and, therefore, have some results available to determine how it might be applied in Manitoba if some government finally decides to screw up its courage and do so?

MR. MERCIER: Full value will be looked at as will the assessment systems in every province in Canada, and the department is familiar with all of those. That area will be looked at.

MR. AXWORTHY: Mr. Chairman, I'm pleased to hear that that will be part of the terms of reference. I'd also like to know whether this study will also include the issue of differential rates of assessment for areas in urban growth circumferences, and whether there will be any movement towards examining how the system might be applied in those municipalities that border on large urban growth areas, particular the City of Winnipeg, provide some protection or retention of farm land, rural land in those areas when they are subject to a lot of development pressures? Can we also assume that that will be part of the study, and that we will also be having some results available to us? I also assume, Mr. Chairman, that the Minister would be planning to release the results of the study for examination of the public and the members of this Legislature, so we would also benefit from its examination.

MR. MERCIER: Mr. Chairman, the review will deal with all aspects of tax exemptions. The one the Member for Fort Rouge raises is not one that I believe is in effect now.

MR. AXWORTHY: No.

MR. MERCIER: I'm not sure if it is in effect anywhere else in Canada. It obviously is a unique concept, but the whole area of exemptions is one of the real difficulties in assessment and preferably, it's not something I don't think that would come out of an in-house review of assessment that we're talking about. I think decisions like that would be ones that would result from public hearings and public discussion and involvement by municipal organizations. I'm not rejecting the concept and I'm not accepting it. I'm just suggesting that it's a bit early in the game to make a commitment either way.

MR. AXWORTHY: Mr. Chairman, I'd like to take some issue with the latter part of the Minister's statement which is that it's too early in the game to take a look at it. I would suggest that perhaps. . .

MR. MERCIER: No, too early, excuse me, too early to make a decision to do either one of them.

MR. AXWORTHY: Well, even if it's too early to make a decision, I would think that we should maybe have a more positive decision about examining that particular issue. I would only remind the Minister, that in the rural municipalities that are bordering on the city of Winnipeg, there's presently thousands of acres of quite good agricultural farmland presently being consumed, and one of the contributing reasons for that is the way the tax system operates to the detriment of maintaining or retaining that farmland in its original purpose, because of the way that the tax system works. I am afraid that if it is left too much longer, we are simply going to find that many of the class one agricultural land areas around the City of Winnipeg stretching to a 30 or 40 mile radius, will no longer be available for farming, or for good farming. I would say that if this particular issue is not being looked at as part of his review of assessment, because I think it could very legitimately be brought into that, and he feels there should be some other means of doing it, perhaps a more public means, then I would encourage him to do so right away, because I really don't think he can leave it much longer.

I would just recall a meeting I had with a number of rural municipality reeves and councillors just some six weeks ago; perhaps two months ago. There was no question that that was one of the uppermost issues in their mind, is the way in which the tax system under which they operate, tends to bias the pressures in the rural municipality toward accepting large scale development with very little restraint, because of the way it works. They were in fact, at that time, desperately asking for something to be done, so he doesn't have to take my word for it; I think I could recall from the word of the local officials in those areas. So I would really ask him to perhaps initiate something like that very soon.

MR. MERCIER: Well, that's why, Mr. Chairman, I suggested that there would have to be a great deal of discussion with the municipal organizations, people like the Winnipeg Additional Zone Association, and the Union of Manitoba Municipalities, and the Urban Association, because they have asked for a review of assessment and the Assessment Act. I'm just advised there was a report by a consultant prepared for the previous government some two years ago dealing with assessment; I have just learned of that, it was not acted on, it provides some interesting comment and I'd like to have an opportunity to review it.

I would also say to the Member for Fort Rouge, because I think it comes within consideration of the Estimates of this department, that he was not present here earlier on in the meeting when I indicated that the Provincial Land Use Committee was reactivated early after our election; we've had a considerable number of meetings. We're at the stage of adopting some interim policies which we propose to send out to municipalities — all municipalities — for their comments and we'll be arranging for regional meetings — district meetings — with municipalities in order to review the proposed policies with them. I'm sure he will agree that one of the problems of the past has been the lack of provincial land use policy and that has to be done, more importantly probably than assessment, although I can see the possibility of tax assessment being an allied tool in the whole area of land use planning.

MR. AXWORTHY: Mr. Chairman, I think that the Minister might be cautioned that it's not just an

allied tool. It's an integral part of land use planning. In fact, in some ways the way in which the tax system, the municipality biases or influences the direction of land use is probably far more influential than any paper plan and in many cases has far more impact than the zoning laws do because it does get back to revenue raising, which is the touchstone of most governments.

I would also ask the Minister if he is able to provide copies of the report that was done on differential assessments so that — I presume it's not something that would come in the area of great confidence or security, it's something that may be of some importance in enabling — at least it could be perhaps deposited in the provincial library or some other place where we could be able to take a look at it.

MR. MERCIER: I haven't seen it yet, but if the member wishes to have it made available to him, we will certainly do that.

MR. AXWORTHY: Thank you.

MR. CHAIRMAN: The Member for St. George, and then Selkirk.

MR. URUSKI: Thank you, Mr. Chairman. In listening to some of the discussions on the assessment particularly as it pertains to lands in the periphery or adjacent to urban communities there, there's no doubt within the department analysis several different approaches are made that the Minister, I believe, should consider when he or his staff are doing the review, and that pertains to three major approaches which have been adopted, both in this country and in the United States. One might consider one, or a combination of these approaches, or possibly maybe some other alternatives. But I would ask that in that review the Minister consider the approach of the possibility — like the Province of Alberta — of preferential assessment dealing with farm land which can be considered — I'm not suggesting that it is the best method but it's one I think that should be at least examined and I know the department has background on it and it is, I believe, the simplest program of all. That is establishing a set value of assessment on all farm land throughout the province, or particularly adjacent to urban areas and leaving it that regardless of the value of the land.

The second — and we've tried it here — is the area of deferred taxation, where there are two rates of assessment, where if the land is used for other than farm purposes it is assessed at the rate that it would take on the open market. Secondly, if it was used for agricultural purposes it would be assessed a rate for that purpose, and the individual would have the option of choosing which rate he wished to undertake. If he undertook the lower assessment rate and continued farming, however, then wanted to sell for commercial or residential use he would, of course, be subjected to the payment going back for whatever number of years might be established of the difference in the assessment and taxation that he would be owing.

The third approach would be the use of restrictive use agreements between the owner of the land and the Municipal Council and/or the province, depending on the nature of the agreements. That may be even more possible in areas where development plans are put into place and land is then zoned for its particular use — those types of agreements by owners that they will keep the land in agricultural use for at least a defined period of time.

There's no doubt there are pitfalls in all of them, but I would hope that the Minister does consider at least these three approaches which have been reviewed and looked at by members of the department; and also I believe, members of the university who have done some analysis on these three approaches.

MR. CHAIRMAN: The Honourable Member for Selkirk.

MR. PAWLEY: Mr. Chairman, if I could just follow along the lines of the Members for St. George and Fort Rouge. There's no question that when the reassessments are published in the municipalities surrounding the City of Winnipeg, that there's going to be considerable anguish, and that is because of the rapid change from a rural to an urban type of environment that has taken place in those areas in the past few years.

Unfortunately, assessment sometimes tends to work contrary to the interests of proper planning development, whereas we want to maintain land in agricultural use, as mentioned earlier, it's very difficult for the farmer in an area 25, 30, 40 miles from the city of Winnipeg to maintain his land in agricultural use when he's faced with soaring assessment.

Now, we have in the area surrounding the City of Winnipeg the development of the District Planning Boards and district plans, and I do believe that the municipal leadership in the area 40 to 50 miles around the City of Winnipeg is showing tremendous drive. I believe it's much more progressive, certainly much more progressive than it was ten years ago, because of experience with sprawl type of development. They wish to do something. Now, I say to the Minister that I am concerned that if the reassessments are allowed to proceed in such a way that there is a radical change in assessment despite the efforts that are made to freeze certain development, to insure proper planning development which is taking place with the District Planning Boards, that your municipal leadership may very well face considerable backlash from farmers that are trying to eke out an existence and find themselves with doubled and tripled assessment, and at the same time find themselves with district plans that freeze residential development, prevent them from selling their lands quite properly, but all this good intention isn't very conducive to support if they're faced with a doubling

and tripling of their assessment burden as a result of reassessment which doesn't consider the fact that in the last two or three years there has been the implementation of district plans and District Planning Boards.

So I'm asking the Minister whether or not the insertion under the Planning Act of District Planning Boards, district plans will be considered and weighed by the assessors, or will we continue to go our merry way, based upon assessment practice of the last number of years without considering the fact that there is developing a tighter control in respect to this type of rapid urban growth.

MR. CHAIRMAN: The Minister of Municipal Affairs.

MR. MERCIER: Mr. Chairman, this was a problem for the last eight or nine years. No changes that I am aware of were made by the previous government to help solve this particular problem. We've been in office for six months, we have already embarked on this in-house review, and I think we're moving as quickly as we can to review the problems, and this no doubt is a problem, and I appreciate the concern of the Member for Selkirk with respect to this particular area. But we are moving ahead in this area, and hopefully we will be in a position by the next session of the Legislature to make some changes, if that's possible at that particular time.

MR. PAWLEY: Mr. Chairman, I must take exception to the Minister's comments that nothing was done. It was the previous administration that passed the Planning Act which meant that there could be some tighter control of urban sprawl into areas surrounding the City of Winnipeg, despite, let me say to the Minister, so that he's aware of the record, despite day after day of the most strenuous opposition from his colleagues in the Legislature. Let the Minister not think that our Planning Act received a standing ovation in the Legislature from members of his Party. If the Minister would read Hansard of those days, he would find out that the introduction of that Planning Act was considered as something which was just a little below the level of Karl Marx's *Das Kapital* being introduced into the Manitoba Legislature. I say that in all seriousness to the Minister, so that when he suggests that nothing was done by the previous government, let the Minister be aware that it was a bold, courageous step that was undertaken by the previous government to control unplanned development. We introduced that legislation against fantastic opposition from his colleagues in the Legislature. We had support from the Member for Fort Rouge, and I credit him for it, but let him not think that it was an easy situation to introduce that legislation and pass it through the Legislature at the time.

So we did pass the Act. We did pass, therefore, legislation that could bring about the technique of controlling some of this growth, and I believe that growth thus should be planned in a more orderly fashion from here on in. However, I'm saying to the Minister there is now a ball in his court. We've given him the planning technique, now what is he going to do in respect to the assessment side of the coin? Is he going to just ignore the fact that there has been a momentous development insofar as planning is concerned, and hope that everybody is very happy with the planning developments and ignore the assessment pressures in the municipalities surrounding the City of Winnipeg.

MR. MERCIER: Mr. Chairman, I could facetiously say that that fantastic opposition will be just as fantastic in government, but I appreciate this is really an important subject to the people that it does affect. In fact, as a member of city council, there was a question that was raised through our consultation with the additional zone people. I've had a couple of opportunities to meet with the additional zone people already and it will be one of the matters that will be considered in the review of the assessment legislation.

MR. PAWLEY: Yes, though I want to point out to the Minister the areas that we're speaking about are outside the additional zone, in the outer zone.

MR. MERCIER: Yes. Right.

MR. CHAIRMAN: 4.(a)—pass; 4.(b)—pass. Resolution 89: Resolved that there be granted to Her Majesty a sum not exceeding \$2,560,100 for Municipal Affairs—pass.

5. Municipal Services and Research. 5.(a)— The Member for Selkirk, then St. George.

MR. PAWLEY: Mr. Chairman, if I'm in the wrong area here, please indicate. A year or two ago there was a tremendous shortage in the Secretary-Treasurers that were entering the field, young men and women prepared to go into the field of working in the municipalities as Secretary-Treasurers. Pension plan legislation was introduced — a plan has been now put into effect, I believe — and it was hoped that this pension plan would encourage young men and women to take unto themselves a career in municipal offices. I'm wondering if it's too early for the Minister to indicate to us whether or not there has been any positive results.

MR. CHAIRMAN: The Minister of Municipal Affairs.

MR. MERCIER: Mr. Chairman, I believe there has been a record increase in the number of people

enrolled in that particular course. The member also referred to the municipal employees' pension fund which I dealt with in my preliminary remarks and in which we have already tabled the first report of the Manitoba Municipal Employees' Fund. . He must have received a copy of it and it is a pretty thorough review of the first year's operation of the fund, which has been successful.

MR. CHAIRMAN: The Member for St. George.

MR. URUSKI: Thank you, Mr. Chairman. I would like to ask the Minister whether the Municipal Services Branch still handles all the work for municipalities dealing with water billing and sales and updating, improvement information and the Tax Credit Program and other workloads connected with them? Are they still handling that workload?

MR. MERCIER: There has been no change in the duties of this particular branch.

MR. URUSKI: Mr. Chairman, the area that I would like to comment on is the area dealing with the Department of Municipal Affairs in dealing with the Municipal Services Branch in their liaison with the municipal councils and bringing about more autonomy to local government and particularly the areas dealing with the Local Government Districts. We have in the last several years had Legislative Committees examine the local government district structure both in rural areas and in industrial northern areas, and we have been what I would consider successful in bringing about into full municipal status — in the last year we have had the communities of Snow Lake and Leaf Rapids that were moved to full municipal status — I am wondering what moves the Minister is contemplating in respect to other LGD areas? I would like him to give me some comments, especially in light of the Task Force Report that the Department of Municipal Affairs be directed to effect the transition to full municipal status for the identified local government districts and advise on the feasibility for remaining areas. In other words, some of those districts should be transformed very soon.

MR. MERCIER: Mr. Chairman, this is again a matter that was discussed by me with officials in the department early on and it is a policy which we intend to continue to follow to attempt to persuade local government districts to move to full municipal status as quickly as possible. But I am sure the member will appreciate that it is a slow process and does take some time and effort but it is the direction in which we wish to move.

MR. URUSKI: Mr. Chairman, there were discussions and direction given to the Department of Municipal Affairs, I believe, in co-ordination with the Department of Agriculture and Renewable Resources, dealing with the issue of the transferring of Crown lands that were tax sale lands but were handled by the province for administrative purposes on behalf of the local government districts. There was a conscious policy decision made by the previous government to have those lands negotiated or in effect, a policy to return those Crown lands to the local government districts, either directly or a cash difference in terms of negotiations, or some combination of both, or an exchange for other Crown lands that may have been given up because I do know some Crown lands in some areas were used to negotiate flooding settlements with Reserve lands.

I am wondering whether that policy is continuing and if the Minister could give us an indication where in the process of negotiations are the departments at this point of time?

MR. MERCIER: Mr. Chairman, it would be a few months ago that the Ministers affected, the Minister of Agriculture and the Minister for Renewable Resources and I met to review the policy that had been approved by the previous government, and we resolved at that time that we wished to continue to pursue that policy. As a result of that decision, discussions and negotiations have been ongoing with LGDs.

MR. URUSKI: Have there been any agreements concluded to date, in a preliminary or in a formal way? Any tentative agreements?

MR. MERCIER: No, there have been basic understandings reached with some of the LGDs, but no formal agreements have been arrived at yet.

MR. URUSKI: Could the Minister indicate whether all the rural LGDs which would have some Crown lands that would be affected, have they all been visited to this point?

MR. MERCIER: They all have been visited to date, Mr. Chairman.

MR. CHAIRMAN: 5.(a)—pass; 5.(b)—pass. Resolution 90: Resolved that there be granted to Her Majesty a sum not exceeding \$873,600—pass.

6. Municipal Planning Services, 6.(a)—pass — the Member for St. George.

MR. URUSKI: Thank you, Mr. Chairman. I would like to ask the Minister, there is a slight, and however slight, increase of some \$1,300 in the budgets dealing with Planning Services. The criticisms, especially of members of your party in the last several years dealing with The Planning Act, ranged from the most serious being from the Minister who is now the Chairman of the Provincial

Land Use Planning Committee, the Member for Morris, where he indicated that the new Planning Act was regional government via the back door. I would like to have the Minister's comments, whether he shares that kind of sentiment as his colleague, the Member for Morris, has towards the Provincial Planning Act and the Provincial Planning Services that have been brought in, or whether he is in support of the basic concepts of the Act? I would like to have some indication from him how the Act has been working in the last six months.

MR. MERCIER: Mr. Chairman, our government has not, and I expect will not, certainly in the near foreseeable future, take any steps towards any form of regional government outside the City of Winnipeg.

MR. PAWLEY: . . . members had said this was.

MR. MERCIER: Well, Mr. Chairman, I think if you have any questions to the Minister without Portfolio, the House Leader, you will have to direct your questions to him. I am not familiar, frankly, with previous comments that he may have made about The Planning Act but if those comments were correct, he obviously has been converted because in the meetings we have had on the Provincial Land Use Committee with the House Leader as Chairman, he has been a strong advocate of establishing provincial land use policies as a method and the quickest method of returning virtually complete autonomy for planning decisions to the local municipalities. I must agree with that statement that it is only by virtue of establishing the provincial land use policies that a local municipality is able to make the planning decisions at their level. I am certainly in support of that committee.

With respect to the operation of The Planning Act in the past six months, I will indicate that we will be introducing some amendments of a housekeeping nature to improve the administration of the Act because planning is the kind of thing, in my experience as a City Councillor, everyone is in favour of planning but the real difficulty is in the proper administration of The Planning Act and there are always difficulties, human error and human nature being what it is, where certain things aren't done and where certain prejudices may be taken by certain people that reflect on the operation of that kind of an Act. So, any government must be continually alert to ensure, as much as possible, that the Act is administered well and administered efficiently, and that must be our role.

MR. URUSKI: Just on that line, Mr. Chairman, I would like to ask the Minister whether there has been any significant change in the administration of the subdivision process under The Planning Act as it related to, say, last fall when, if I recall correctly, there were approximately 1,300 applications approved in the first six or seven months of the operations of the Act and there were still, I believe, in active consideration, I think possibly maybe another thousand. Has there been a drop-off of applications? What has been the experience to date? Maybe I was oversensitive, but there were complaints and in some areas justifiable complaints about delays in the processing of applications. I would like to know whether there has been any dramatic change in the approval process and approval mechanism?

MR. MERCIER: No, there has been no change in policy in that approval process. I suppose it is something for which there will always be complaints from people who don't get what they want. I think in defence of the Planning Department itself, and the member will appreciate, that where there are many significant delays, those are often caused by other departments who are asked to comment and for some reasons and in many cases very worthwhile, they have a certain interest in an application that they wish to protect, and the adoption of the land use policies is going to resolve that a great deal.

MR. URUSKI: Mr. Chairman, I understand that there has been a fifth district or a new district formed since last fall, I believe. Yes, there were four formed and the Thompson one has come in, I believe, since then. Could the Minister report to us as to the present status — well, we'll go in what order he pleases — as to the funding, because those districts have already been formed. Could he give us a review of where are those districts in terms of their development plans, funding, how far they have reached and what might be the anticipated costs of the funding required for each district? Also, I would like to know how many other municipalities are on the verge of being formed? As well, I would like to know, within the budget of the Planning Services, what funds have been allocated out of the \$1.3 million, specifically for development plans of these five districts, and are there funds committed for any new districts, within the budget?

MR. MERCIER: Mr. Chairman, since we have been in government, the five agreements have been approved with the districts I indicated earlier. The boards have been formed and just this past week, I believe I sent the initial cheques to each of those five boards. I can only assume, I am sure it is correct, that they are now well started on their way to formulating their development plans. I don't recollect the exact amounts that we have sent to each planning district. In many cases it was a partial payment to get started. We certainly have sufficient funds to complete those districts.

MR. URUSKI: You have sufficient funds?

MR. MERCIER: Yes. As indicated earlier, there are a number of municipalities indicating interest in forming more planning districts. Whether we will be in a position to fund all of them during this fiscal period is questionable in view of the financial restraint program. But I see no reason why we can't do things within the department to get them started and on their way and working at some of the preliminary matters they will face as a properly constituted planning district and board.

So in spite of the fact that we may not have sufficient funds to meet all of the interest, we are going to have to establish some priorities within the department; we are going to have to do some things internally in the way of assisting them and servicing them, to help them get started and look at the problems they will be facing as a planning district. I see no reason why they can't, through representatives of each of the councils in the areas, start that process. But it has been a successful program, obviously, because of the interest and if the member wished, I could read out a full page of municipalities who are interested in forming planning districts.

MR. URUSKI: How many, in total, would be on the verge of coming to the government and saying, "Will you sign an agreement with us to form a planning district," in rough forms? I would like to go on.

The Minister indicated that he has sufficient funds in his budget to complete those five districts. Could he give me an indication as to what the provincial contribution is, the total provincial contribution might be, of this 1.3 million to those five districts in terms of expenditures?

MR. MERCIER: The money that was paid out this week to the five districts was money appropriated from last year's budget that was set aside. —(Interjection)— We're trying to recollect the figures. It is about \$60,000 for Selkirk; \$26,000 for Cypress River. I'm advised that the \$400,000 that the member refers to, Mr. Chairman, was in their budget process cut to \$200,000 and then to \$75,000.00.

MR. URUSKI: So the Minister is indicating that the cost of these five is from last year's . . .

MR. MERCIER: We're in the process of getting the actual figures, but the initial payments — and I'll advise the member later — were from last year's budget. We have in this budget \$113,000 to provide for the formation of planning districts this year.

MR. URUSKI: Out of the 1.3 million, \$113,000?

MR. MERCIER: Yes.

MR. URUSKI: Could the Minister indicate, in terms of staff in the Municipal Planning Services, whether there are any staff increases; whether the staff has held; whether there was any elimination of any positions and/or people from the Provincial Planning Branch?

MR. MERCIER: There has been no increase, Mr. Chairman, in staff man years in this particular area, and no reduction, the same manpower. Of course the member will remember the decision of the previous government to start moving the Planning Services away from municipalities and toward those areas that had formed planning districts, the direction that has been continued.

MR. URUSKI: You are continuing in that direction . . .

MR. MERCIER: Yes.

MR. URUSKI: . . . to assist municipalities who wish to get into planning and provide less assistance, if any, to those who do not wish to proceed in the area of planning districts?

MR. MERCIER: That is done on a contract basis with municipalities, if staff are available.

MR. URUSKI: Yes, I understand that. I'm not even sure that many contracts were signed last year with municipalities in that we were trying to hold off signing any commitments because of the lack of specific staff to deal with certain areas. We were trying to indicate that it would be much more feasible if two or three municipalities were to get together and join into a district, then they would be assured of having the advice and help that they required to do proper planning for their areas.

MR. MERCIER: There were only about five or six municipalities who contracted for planning services.

MR. URUSKI: Are there any municipalities, to the Minister's knowledge, that have contracted out private consultants to do planning advice to the municipalities, particular municipalities?

MR. MERCIER: Not to my knowledge, Mr. Chairman, but that could be happening without our knowledge.

MR. CHAIRMAN: The Member for Selkirk.

MR. PAWLEY: Mr. Chairman, the Minister has indicated that there have been five district boards that have been formed. I would ask the Minister, in this year's allocation, how much money would be paid to those five district boards?

MR. MERCIER: We are in the process of attempting to get the figures, but in the main I would say that the money we have paid out this past week to the five districts, I would expect would virtually get them through this fiscal year. I think that in about three of the five cases, we paid the full amount, because it is not a large amount.

MR. PAWLEY: What I would want to know from the Minister is how much money would he have left over for other districts that might be interested in being formed during this fiscal year?

MR. MERCIER: \$113,00.00.

MR. PAWLEY: Mr. Chairman, that is the area that concerns me, because \$113,000 is not going to respond to very much of a demand and the difficulty is that there are certain municipalities where this type of situation is desperate. Certainly within the 40 to 50-mile area around the City of Winnipeg, it is important that when the local people illustrate a desire to form a district board and enter into a development plan, that the department be in a position to respond to that willingness on the part of the local municipal people to so form.

Let me say to the Minister that I suspect that the costs of not doing so, in not responding, will be greater to the provincial economy than through a tunnel-like approach to restraint which appears, unfortunately, to have spilled into the Estimates in this particular section because the provincial costs will be, where there is unplanned development, where a horse and buggy type of approach is allowed to continue, even though there is leadership shown on the municipal part to change the picture, that you are going to face all types of additional costs from unplanned development. The Minister is as familiar with those extra costs as any one of us.

So when the Minister indicates that he only has \$113,000 left in his budget to handle requests from municipalities for new District Planning Boards, I must express my concern that he is not — and I don't blame the Minister, obviously he has been chopped down during the preliminary discussions in Cabinet on this section — but he certainly is not going to be able to respond to the requests for new District Planning Boards. He is not going to be able to deal effectively with the problems that may very well be occurring and at the same time, there being leadership at the local level wishing to correct those problems, the province will be dragging its feet. We have an entire fiscal year and what the Minister is really indicating is that he might be able to take on one or two more districts, but he had indicated that he had a whole page of municipalities that were sympathetic to entering into District Planning Boards but obviously he would be able to accept a very small portion of them. Or if he did accept them, he would be requesting them to drag their feet and not move too quickly because the money isn't available to assist them in moving faster.

I must express some reservation about the ability of the Minister and the department to respond to what I am sure will be a growing area of requests from the local level.

MR. MERCIER: Mr. Chairman, the department feels reasonably certain that with the moneys available in the Estimates this year, that they can respond to the requests for planning districts. Many of the municipalities that have indicated, are not of the urban-oriented type, which are the most expensive, like Selkirk, which is a very expensive planning agreement to which we have paid out an initial payment of \$60,000.00.

MR. PAWLEY: That isn't a full year, so there would be about \$120,000 or \$130,000, I believe.

MR. MERCIER: That is only our share of the initial funding, so that they have to put up additional funding and we feel reasonably certain that they will not go over that amount during this fiscal period. Many of the municipalities are smaller rural towns and R.M.s which are not nearly as expensive as an urban area like the Town of Selkirk. We intend to certainly establish priorities and, if necessary, if there are important areas which can't be met within the current Estimates, then we will have to very seriously consider Supplementary Estimates. I appreciate the concern of the Member for Selkirk but he can rest assured that we consider this an important matter and if it is necessary to appropriate additional funds, we will.

The initial grants that we have paid out were: Selkirk, \$35,500; Cypress, \$43,700; Brokenhead, \$26,000; to the Morden-Stanley District, \$61,000.00. No grant has been made yet to Thompson.

MR. PAWLEY: Mr. Chairman, if I could just ask the Minister about a related area. He had indicated that policy was being reviewed in respect to a provincial planning policy. Did you indicate that decision had now been arrived at as to a provincial policy?

MR. MERCIER: Mr. Chairman, I believe the exact number of policies are 13, and the Chairman of the Provincial Land Use Committee and the Honourable House Leader are in the process of arranging for the distribution of those policies. They are in fact I think at this particular time in the process of being printed, after which they will be distributed to all municipalities. The Chairman

plans on arranging for regional meetings with the staff of the provincial Land Use Committee and the municipalities concerned in the fall after they have had an opportunity during the summer months to consider those policies. Not only will discussions be held with the rural municipalities and towns and villages, but with other associations and groups that have indicated an interest in being involved and having an opportunity to comment on those policies.

MR. PAWLEY: Mr. Chairman, I'm just wondering if this would not have been an opportune time for the Chairman of the Provincial Land Use Committee to have outlined those policies so that we could deal with them at this committee at this point. We may not have another opportunity during this Session of Legislature.

MR. MERCIER: Mr. Chairman, I believe all members of the Legislature will have an opportunity to discuss those at regional meetings in their area if they wish or to make their comments known to the Chairman of the Land Use Committee. They are policies which are interim in nature, have not been adopted in any way as final policies. They are policies that are merely being approved by the committee for discussion with the municipalities etc. and other groups who may be interested in making their comments, and it is only after those discussions and consultations have taken place that final policies will be approved.

MR. PAWLEY: Mr. Chairman, I must again though pose the question: as I understand it these are policies of provincial nature. They don't relate to a particular region or a particular municipality but they're land use policies of provincial-wide nature. Now, surely then those policies are of such a nature that they ought to be discussed with provincial representatives and as well certainly, in the long run, with municipal representatives, but I must say, Mr. Chairman, that I do feel that in all fairness to the provincial members of the Legislature that provincial policies relating to land use, should be made available, if they have already been okayed and ready for distribution and discussion, to municipal people, because of the very fact that we are dealing here with provincial representatives, that there is no need surely to hold them close to one's vest, but rather to open them up to discussion. I would have hoped that the Chairman of the Provincial Land Use Committee would be present so that we could enter into a worthwhile discussion on these policies. Why would they not be distributed at this point so that we are able to enter into a worthwhile discussion?

MR. MERCIER: The first and easiest answer, Mr. Chairman, is that they haven't been printed so that they are not available for discussion. The second point is that they are not the policies of the government, they are papers which will be used as a basis for discussion with interested groups and associations and municipalities. I would think it would be — if they are finally adopted by the next Session of the Legislature, that it would be very much in order to discuss them. I think there will be nothing in the interim that will prevent any member of the Legislature from making known to the Chairman of the Land Use Committee or the committee itself any positions or comments on those papers that they wish to make. But until they are adopted by the government, I wouldn't think that it would be a proper matter for discussion before this committee at this time.

MR. PAWLEY: Mr. Chairman, surely it would be much better to discuss them during this Session than to circulate them to regional meetings of municipal leaders and in fact, say, as the Minister earlier had said, that if one is interested as a provincial member, then intrude upon that meeting of municipal representatives I just don't feel that that would be the proper approach. If we are going to have a hand in the development of those policies surely we, as provincial members, ought to through our arena discuss those policies, if I might say so, because they are provincial in nature rather than municipal or regional in nature even before they are discussed at the municipal level because we are dealing with provincial-wide policy proposals as I understand it. I don't think it's good enough to say that we can intrude or push our way into a district municipal meeting to find out what they are and to participate in the discussion. I believe that's a meeting for municipal people and not a meeting for provincial MLAs to intrude themselves upon. So, I just wonder if it is really too late for those policies to be indicated to this committee so at least we know what we are dealing with and the Minister, and I would hope the Chairman of the Provincial Land Use Committee could have hopefully some benefit of the views of provincial members.

MR. MERCIER: Mr. Chairman, I appreciate the concern of the Member for Selkirk, in this matter, but I have to repeat again, these are not policies of the government, they are papers that have been developed with . . .

A MEMBER: Discussion papers.

MR. MERCIER: Discussion papers, that have been approved by the committee for discussion with the municipalities, but they're in no way final policies of the government. The direction that the government wishes to move is to involve as many people in consultation and review of those papers before any final decision is made. I don't know the exact date when the printing of those papers will be completed. I'm sure it will be completed before the end of the Session, and I would feel certain that

the House Leader would be disposed to distributing them to all members of the Legislature. I think that would then certainly give members an opportunity to question him if they wished, or to discuss the matter in a review of his salary under the Executive Council, if you wished.

MR. PAWLEY: I'm prepared to accept that suggestion. Could the member advise us whether or not there are any municipalities in the additional zone that are indicating a desire to withdraw from the additional zone and to join a district planning board within the outer municipal ring

MR. MERCIER: I've attended one or two meetings with municipalities who have made some enquiries about that. You are talking about municipalities wanting to move out of the additional zone?

MR. PAWLEY: Yes. Like I know West and East St. Paul discussed it from time to time.

MR. MERCIER: One of the difficulties I understand is they haven't found partners to form planning districts. One made a suggestion, Springfield I guess it was, as to whether they could form a planning district on their own. Just one municipality. I don't think that was the intention of the legislation. That's basically where those inquiries stand now.

MR. CHAIRMAN: The Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, I think some of the questions that I had were already put by the Member for Selkirk, so I'll let this one go.

MR. CHAIRMAN: The Member for St. George.

MR. URUSKI: Mr. Chairman, I would like to ask the Minister in view of his comments dealing with the Municipal Planning Services Branch. You know, they were in the process of implementing the new Planning Act, regional offices were established throughout Manitoba, and there were increases in staff into those offices. Has there been any redundancy in staff and activities in the central office as a result of those regional offices and has there been any realignment of staff of a major nature? I would like his comments in that respect.

MR. MERCIER: Mr. Chairman, as I understand it, the six regional offices were developed prior to implementation of the Planning Act, and there was at one time a suggestion that there would be two more. We have not yet developed those two additional offices.

MR. URUSKI: But has the development of those offices resulted in any redundant activities by the central office, meaning the office in Winnipeg?

MR. MERCIER: I think that, depending on your viewpoint of planning, would bear upon the answer to the question, but as far as I . . .

MR. URUSKI: As far as you're concerned . . .

MR. MERCIER: As far as I'm concerned no, it hasn't occurred.

MR. URUSKI: I would tend to agree with the Minister's comments in those terms. There is no doubt specific expertise within the Winnipeg office to deal with specific area and problems that the Planning Branch might encounter. I was relating my comments to the Task Force Report again, wherein it came to certain conclusions about redundant staff and I'm pleased that the Minister does not agree with the analysis made by the Task Force in this respect. I wanted to make sure that possibly I had missed something in the months of September or October. I knew that there were shifts being made on a regular basis and re-evaluation of performances and functions of various staff, but that there was inherent a redundancy in the staff, I wasn't aware of any, and I'm pleased that the Minister agrees with that position.

MR. CHAIRMAN: 6.(a)—pass; 6.(b)—pass. Resolution 91: Resolved that there be granted to Her Majesty a sum not exceeding \$1,674,300 for Municipal Planning Services—pass.
7. Provincial Planning. 7.(a) — the Member for St. George.

MR. URUSKI: Mr. Chairman, I gather that the — and we've gone into both of these areas — Minister is acting Vice-Chairman on the Provincial Land Use Committee, as outlined in the Act.

MR. MERCIER: Vice-Chairman.

MR. URUSKI: Vice Chairman. I'm sorry, as Vice-Chairman.

MR. MERCIER: In charge of vice.

MR. URUSKI: / Minister has also indicated that the discussion papers on proposed land use policies will be available to members of this Assembly likely in the next month or so to be perused and then they will be distributed more widely for comments and suggestions by municipal leaders and councils throughout the province. I would indicate that I think the approach to this would be certainly concurred with by myself that there be some comments and some analysis made by provincial members prior to firm adaptation by the government.

I know that they were left with numerous proposals to be considered by the Provincial Land Use Committee and I'm pleased that they have embarked on it and will be in the process of giving some more firm direction to municipal councils who have now embarked on planning schemes of their own within the districts that they have formed, so I'm pleased that they are moving along these lines.

MR. CHAIRMAN: The Member for Winnipeg Centre.

MR. J. R. (Bud) BOYCE: Mr. Chairman, perhaps the Minister could help me. There are four departments that are involved in dealing with the affairs of people: Municipal Affairs; Northern Affairs; Urban Affairs; and Agriculture. Now in reconciling this, I see over on Page 63 there was \$544,600 transferred to Municipal Affairs from Northern Affairs. The Reconciliation on the bottom of Page 63. I wonder if the Minister could tell me where these funds appeared subsequent to the transfer.

MR. CHAIRMAN: Perhaps, to the Member for Winnipeg Centre, he could wait a moment and we'll be at the item he is discussing. We're currently on 7. Provincial Planning.

MR. BOYCE: I realize that, Mr. Chairman. We're talking about planning. I have some more questions on this, but I just want to know where best to direct these questions. The next item is not

MR. CHAIRMAN: Item 8. Northern Planning?

MR. MERCIER: Oh, I see. Maybe just by way of explanation, if I'm correct in interpreting the question, Mr. Chairman, on Page 60 in the Reconciliation Statement, the amount that is shown as a transfer of function from Northern Affairs is the item that shows up on the next page, Item 8. Northern Planning. It was the Northern Planning function that was transferred from Northern Affairs to Municipal Affairs. Is that the answer to the question?

MR. CHAIRMAN: The Member for Winnipeg Centre.

MR. BOYCE: . . . thousand on this, so I guess that's . . . on Page 62 it's 534,000, on the Reconciliation it's 544,000.00.

MR. MERCIER: Yes, that's right.

MR. BOYCE: But on this Planning, Mr. Chairman, through you to the Minister, there are many things occurring in which people are getting apprehensive and wondering just exactly where the government's going as far as planning. For example, prior to the supper hour, we met with some of the officials of Polar Gas, and they advised that they have already spent some \$600 millions of dollars and they are allocating another \$200 million through the consortium for the advancement of the timetable in the delivery of Polar Gas. Now, in this overall planning, what is the philosophy of the government? I know we came out with what we thought should be an attempt to assist people to stay in their communities rather than all move into the City of Winnipeg. Now is it the philosophy of the government — I know they took great umbrage at the stay-option for example — now is it the policy of the government in Provincial Planning that they are planning for 90 percent of the population of the province to live in the City of Winnipeg?

MR. MERCIER: Mr. Chairman, that question ranged over a number of subjects. The first one was the Polar Gas matter. Just as an aside, that type of question should be more properly put to the Minister of Finance, the Minister in charge of the Energy Council, who is co-ordinating the province's position with respect to that matter. What we're dealing with here under Item 7 — which I thought is what is what we're dealing with, the Provincial Land Use Committee — is provincial land use policies. The member appeared to talk about matters which are not really the subject of this particular item, Mr. Chairman.

MR. BOYCE: Mr. Chairman, I'm a little bit at a loss. This seems to be the policy of the government. For every Estimate that's under consideration, they say that this isn't the appropriate place to discuss it. This is Provincial Planning, and this provides technical and administrative support to the interdepartmental planning board. I realize P!..UC is involved also, but nevertheless, every time we ask the government for an enunciation of policy relevant to anything, they say, discuss it with the Finance, or wait for the Task Force reports or something else.

MR. MERCIER: I never said that.

MR. BOYCE: I'm asking the Minister, what is the philosophy of this government, relative to the disposition of people in the province? Does he not see that this is a role of Planning, where the people are going to be located throughout the province, whether it's in the north or south or east or west, or the City of Winnipeg, or wherever? What is the intention of the government as far as Planning is concerned? What is the philosophy? This is the only place we get a chance to question the Ministers in this regard.

MR. MERCIER: Again, I can appreciate the member's concern that those kind of questions be answered, but what we're dealing with here, Mr. Chairman, is land use planning, not people place planning, but the use to which lands of all types should be put and the kind of zoning that should be allowed. I think perhaps prior to the member entering the room, I had indicated that we expect in the next while that some papers will be released by the committee . . .

MR. BOYCE: Mr. Chairman, I can't hear the Minister, I'm sorry . . .

MR. MERCIER: . . . expect that in the very near future some papers will be released by the Land Use Committee that will be distributed to members of the Legislature and all interested organizations for discussion as to land use policies. But this committee has not dealt with the kind of subject that the member is referring to.

MR. BOYCE: Is the Minister telling us that the interdepartmental planning board has no function in this government? He is referring to this item as if the only thing that was in existence was the Land Use Committee.

MR. MERCIER: The answer is no.

MR. BOYCE: This item says, "provides technical and administrative support to the interdepartmental planning board." What is the intention of the Minister in this regard.

MR. MERCIER: It's all land use planning.

MR. BOYCE: The Minister is telling us there is no relationship to people and the use of land.

MR. MERCIER: Pardon me?

MR. BOYCE: The Minister is telling us that there is no relationship between people and the use of land.

MR. MERCIER: Well, the kind of thing we're talking about here is: should people be allowed to live in a flood plain reserve; should subdivisions be allowed on agricultural land; should natural resources not be protected; what sort of land use control should you have with relationship to the development of highways? It's that kind of land use planning that it is concerned about, the purpose for which land is to be used in the protection of the natural resources of the community.

MR. CHAIRMAN: The Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, the Minister had indicated that the government is not yet in a position to tell us very precisely just what their policies are going to be, and I don't fault them for that. It's merely to raise one point in connection with that that I want to put one or two questions. In light of that, the fact that we may be a year or more away from definitive policy decisions, what is the policy of the government with respect to the interim period, where it involves people who have either submitted applications, have been on a waiting list for a long time, are we just stopping everything, waiting for the grand design to show up, or are we going to use some judgment and discretion along the way, so that we don't unduly frustrate people until we are ready with our new policies?

MR. MERCIER: The procedure, Mr. Chairman, will be that these policy papers will be used as a guideline for dealing with plans of subdivision, etc. You simply can't hold up the whole process, I appreciate that and the department appreciates that, and we have to simply hope that common sense will be used in dealing with the applications.

MR. USKIW: Could the Minister then indicate to us just where we are at with respect to the backlog of applications for whatever purpose, whether it's lots, subdivisions, separations of one sort or another. Are we still holding a substantial backlog, and where are we at?

MR. MERCIER: I have checked on this a number of times in the past few months, Mr. Chairman, and the indication is that there are more applications, that they are in general being handled more quickly than they were before, and that the number of applications turned down is staying relatively constant at about, I think it's about three percent, four percent, which is about the same as the number of applications turned down by the local authorities, local municipalities.

I think if any member has any concern about a particular matter that might develop in their own constituency, we've certainly been able to deal quite easily with the department to attempt to resolve where the matter has been held up, and in many cases when it has been held up for, say more than six months, it's been at the instance of another department who have a major concern.

MR. USKIW: I wonder if the Minister could indicate to us whether there are 500 on the waiting list, or 1,000, or are we reducing that backlog, or is it still building?

MR. MERCIER: The number of applications is going up, so the proportion, I suppose, that are still under review is going up, but in general, they are being handled faster. It's just that they are dealing with more applications.

MR. USKIW: Okay. Perhaps I could then find out just what a normal turnaround period is on a given application in terms of months, days, or . . .

MR. MERCIER: It certainly should be less than six months and could be as low as three months to four months.

MR. USKIW: Mr. Chairman, the reason I raise that is because we had attempted to, and I don't believe we were very successful, but we, I believe, attempted to try to turn around these applications in 90 days. I think I'm right, Mr. Minister. The Deputy is nodding his head. I know I raised this question before when we were the government, and out of some frustration over certain applications and municipalities. My hope was that the process would be ironing itself out so that we could turn that around a little faster than we were. That's really what I'm concerned about, that we don't have undue delays, caused in particular because we keep piling up more work that can't be handled by the staff that we have allocated. In that connection, it's somewhat bothersome that I don't see much more money here. My fear is that we're going to be dragging our feet here because we are afraid to spend another \$50,000.00. You know, I see a very minute increase in expenditures for this coming year over last year, you know. Well, no, there's \$102,000, over \$92,000 last — oh, no, that's right. Oh, yes, there is less with respect to the other function, and that's 1.674 as compared to 1.799.

But in any event, that's the point I want to bring to the Minister's attention: That is it because of restraints that we're going to be . . . Or are we, because of restraints, going to be faced with greater volumes of applications, being piled up in the offices of the Planning Districts and that they would not be able to handle them just for lack of manpower and money?

MR. MERCIER: Well, we have the same number of people that we had last year. It's still a relatively new procedure . . .

MR. USKIW: Well, I know.

MR. MERCIER: . . . that a lot of people are not very familiar with, including I'm sure, lawyers on the outside who deal with the applications who require a great deal of assistance — and I say that as a lawyer — who require assistance in getting the first few applications through.

So it's a procedure in which the people within the department and outside the department are gaining experience and slowly but surely, smoothening out the administrative procedure; and we will, I indicated earlier, be introducing some housekeeping amendments to the Act which we hope will improve and expedite the procedure.

MR. USKIW: Mr. Chairman, the other point I have is the often mentioned comment by lawyers, that they are totally frustrated because there seems to be a lack of consistency in decision making with respect to planning; that in handling their clients, some of their applications go through without any difficulty whatever. Others in similar circumstances — might even be the next door application — has a whole host of added criteria requirement thrown in and there doesn't seem to be logic to it. For example, if one particular applicant is required to do a number of things, whether it's putting in roads for a subdivision or whether it's doing ground water studies or a whole host of things that can be asked for under The Planning Act, and another applicant in the same area doesn't have to do any of those things — no conditions at all — raises the question of why the inconsistency; is it because, is it because . . . —(Interjection)—

MR. MERCIER: On the example that you cite, it obviously is an inconsistency, and if it happened I would want to have a very clear explanation as to why that occurred. But it's very easy to cite them without being specific and I appreciate that you might not want to be specific at this meeting.

MR. USKIW: Well, Mr. Chairman, let me explain. It seems to me, at least the impression that I have, is that where a person is extremely co-operative in filing his application with the municipal people and the Planning Branch, we tend to clobber that person. We tend to say, "Okay, since you're willing to do everything we want, we want you to do these ten things." Then along comes his neighbour who says, "Well, but why should you do those things, they're not necessary." You get a different application, a different kind of a letter from his lawyer who argues each point, so they say, "Well, all right, we don't need ground water studies. We don't need this and we don't need that." So you have

the anomaly of two applicants, side by side, one having to spend tens of thousands of dollars to do these things, and the other one not having to spend a penny.

MR. MERCIER: Well, it just doesn't make sense.

MR. USKIW: That has occurred, and I raise that to your attention.

MR. MERCIER: I would appreciate it if you could maybe some time after the meeting . . .

MR. USKIW: I'm not condemning anyone for it.

MR. MERCIER: If you could point out where that has actually happened then steps have to be taken to make a change, because that's obviously not correct.

MR. USKIW: Well, in the event . . .

MR. MERCIER: The problem is we have to have the specific cases and look at them because they're all individual cases on their own merits.

MR. USKIW: Mr. Chairman, in the example that I have illustrated, it's in the same neighborhood, but the difference was that the one that is required to do all these things had his lawyer say, "We are prepared to do anything you want us to, to get our approval." Hence they threw the book at him, so to speak, and said, "We want all these things done." So I raise that in that context.

MR. MERCIER: Well, perhaps you could give us, after the meeting, where that occurred and we . . .

MR. CHAIRMAN: The Honourable Member for Selkirk.

MR. PAWLEY: Mr. Chairman, I have two questions relating in the same vein that the Member for Lac du Bonnet raised.

One, I would be interested in hearing the Minister's comments in connection with single lot splits, where — not dealing with the larger form of subdivision but single lot splits — where municipality approves that lot split. Are there many instances where the Municipal Planning Branch has overridden the approval of the municipality appealing it onto the Municipal Board in the past three, four months?

MR. MERCIER: I can't make a statement with respect to that particular category. But the overall percentage that are not approved by the department, is about 3 to 4 percent. But I would think those would be mainly subdivisions. I would think that the number of single lot splits would be extremely small. **MR. PAWLEY:** I would just like to place on the record my view, if I could, to the Minister, that I do believe that in single lot splits — not dealing with large subdivisions — that it ought to be a very very unusual and rare incident, indeed, where the Planning Branch appeals to the Municipal Board. I think that the municipality could be advised where it's going wrong; that when we're dealing with a single lot split I would think that advice, yes; but to override on a single lot split would be — I would hope generally unnecessary — and I believe that the Member for St. George, when he was the Minister, had developed a policy by which it was advice and some minor exceptions, possibly, but where you're dealing with single lot splits. Yes, in those municipalities that had a development agreement. So, I'd just like to mention that.

Secondly — and I don't want this to be taken as an area of criticism because I mentioned it to the Minister and the Deputy Minister earlier — but when we discussed backlog and paper work, and I will be bringing a letter in connection with this to the Deputy Minister, but some way or other — and I thought this type of problem was cleared up some time back — where you have a lot split in a town where five or six feet are being added to a lot from the adjacent lot, surely that can be processed at the local level without the necessity of being referred to the Provincial Planning Branch; without the need for circulating it as you would a normal large scale subdivision, to all the various departments and agencies of government. Just think of the paper and the time consumed in that. I do believe that the Minister and the Deputy Minister are both sympathetic to this situation.

I just raise it, though, because I thought the problem was cleared up a couple of years ago and it seems to keep slipping back into the system. It's so burdensome to all involved. These little types of irritants, all that they do is generate the backlash to the central theme of proper planning. People get upset over some little irritant like this and they turn against the very concepts that you're trying to develop through your provincial planning.

MR. MERCIER: Mr. Chairman, the member and I and the Deputy Minister discussed this earlier. We'll certainly have a serious look at it.

MR. CHAIRMAN: 7.(a)—pass; 7.(b)—pass. Resolution 92—pass. Resolved that there be granted to Her Majesty a sum not exceeding \$102,000 for Municipal Affairs Provincial Planning—pass.

Item No. 8. Northern Planning, 8.(a) — the Member for St. George first and then Winnipeg Centre.

MR. URUSKI: Mr. Chairman, I would like some explanation into greater detail the role of the Northern Planning Department. I believe the Minister indicated there were some 12 staff there, presently eight staff dealing with that branch, working in that branch in northern Manitoba. Could the Minister indicate whether that branch also includes the services to northern and remote communities in the promotion of local government for those areas, besides the planning function or is this specifically related to planning matters in northern Manitoba?

MR. CHAIRMAN: The Honourable Minister of Municipal Affairs.

MR. MERCIER: Mr. Chairman, this department was just transferred into Municipal Affairs in January of this year. We operate, basically, as just a service department to the Department of Northern Affairs for Land Use Planning.

MR. URUSKI: Could the Minister elaborate on the specific functions that are undertaken by this group as a service department to Northern Affairs? In the footnote it says, "Provides community planning services to northern and remote communities including subdivision design, development planning and administration of Part IX of the Planning Act."

MR. MERCIER: That's exactly what it does, as described in that footnote.

MR. URUSKI: Could the Minister indicate what communities have been serviced in, say, does he have information, been serviced directly by the Planning Branch, remote communities, or have all of them been to one degree or another, been serviced by this branch in remote areas?

MR. MERCIER: Approximately sixty remote communities in northern Manitoba are serviced by this department.

MR. URUSKI: Could the Minister indicate — okay, I gather that that branch was set up approximately a year or two ago and is being funded under the Northlands — or partially funded — under the Northlands Agreement, the specific duties. Were there specific planning services of subdivision and town, or town or local government planning provided for any specific or complete community plans, for any specific communities? If there were, could the Minister indicate which communities received, say, extensive services and assistance from this branch in terms of subdivision design and layouts of community structures, and the like?

MR. MERCIER: Well, Mr. Chairman, as far as this department was set up about five years ago it has provided the kind of services the member referred to in Manigotogan and Norway House.

MR. CHAIRMAN: The Member for Winnipeg Centre.

MR. BOYCE: Yes, through you, Mr. Chairman, to the Minister. Could you give me the job description of the eight people that are left in this particular component?

MR. MERCIER: There is in the department eight staff man years and unfortunately the sheet that I have before has a number of positions listed but does not indicate exactly which eight staff man years are included in the Estimates. There is a Director of Planning, Chief Drafting Technician, Administrative Secretary, Senior Planner, a Planning Assistant, a Regional Planner, a Drafting Technician, basically composed of the eight staff man years, Mr. Chairman.

MR. CHAIRMAN: 8.(a)—pass — the Member for Winnipeg Centre.

MR. BOYCE: That makes seven.

MR. MERCIER: Yes, there is one other, there may be another Administrative Secretary.

MR. BOYCE: On this, Mr. Chairman, we have to go through the Estimates department by department, nevertheless in looking at the totality of the government's proposal, and there is precious little in Planning . . .

I mentioned earlier about Polar Gas. Commitments are being made at the present time which will affect Manitoba for years to come I think, they were telling us before supper that with 1976 dollars, we're talking about 6 billions of dollars, and the consortium is of the opinion to their interest that the pipeline should just touch on the shore of Hudson Bay by Churchill, nevertheless, there's many people who are of the opinion that if Manitoba is to expand that pressure should be brought to bear to shift this somewhat west so that it would go down between the lakes. And I wonder, on projects such as this, where in the government's Estimates — this is in northern planning — where in the government's Estimates have they got the capacity to deploy people to make Manitoba's case relative to anything, specifically with reference to Polar Gas?

MR. MERCIER: Mr. Chairman, I would suggest that that matter comes under the direction of the Minister of Finance, responsible for the Manitoba Energy Council, and that is where he will be able to have these questions answered.

MR. BOYCE: I will take note of the Minister's suggestion, but having gone through all the Estimates, there is nothing that would lead me to believe that moneys are being allocated to this important area. So, for the moneys that they are asking us to vote, \$264,000, what does the Minister see as the role of these eight people, or seven-plus?

MR. MERCIER: Well, I indicated the function that they perform' and again we've had a very short experience with this department, and they totally service the Northern Affairs Department, and I hate to suggest to the Member for Winnipeg Centre that he direct any further questions to the Minister of Northern Affairs, but I think I have to.

MR. BOYCE: Well, on this, the Minister responsible for Municipal Affairs, what does he see the relationship between the municipalities, the LGDs, the community organization, as far as planning in the north? Is he suggesting that that should be left to the Minister of Finance or some other area, or should it not be dealt with relative to people, because in looking over Northern Affairs there's a cut in that Minister's Budget in this regard also?

MR. MERCIER: Again, the function of this department is to provide community planning services to northern and remote communities including sub-division, design, development planning and administration of part of the Planning Act. That is the function they perform at the request of the Northern Affairs Department. The Northern Affairs Department have advised us that this number of people which we have in the Estimates is sufficient to carry on that function for them.

MR. BOYCE: Well, Mr. Chairman, if the government's not going to do anything then we don't need anybody. I don't want to be facetious, but nevertheless to understand when people are talking about planning, you have to understand the philosophy against which they are going to plan. All we get is technical answers from all of the Ministers. Most of us are well aware of what these organizations do. They provide the book work, the paper work, the interpretations of the Act, but what is the philosophy of the government as far as developing the north is concerned when you are talking about the communities in which people live?

MR. MERCIER: That is a question you'll have to ask of the Northern Affairs Minister.

MR. CHAIRMAN: 8.(a)—pass — the Member for Winnipeg Centre.

MR. BOYCE: Well, Mr. Chairman, you get this answer from every Minister, you have to ask some other Minister, so it's not something new.

MR. CHAIRMAN: 8.(a)—pass; 8.(b)—pass; 8.(c)—pass. Resolution 93: Resolve that there be granted to Her Majesty a sum not exceeding \$264,200 for Municipal Affairs and Northern Planning—pass.

9. Provincial Job Office: 9.(a)—pass — the Member for St. George.

MR. URUSKI: We have a provincial job office, could he indicate what the work the job office is presently undertaking in light of the cutbacks of the Provincial Municipal Loans Fund Program and other provincial Job Office employment programs that were previously under their administration. Could the Minister indicate what are the present levels that that branch is carrying out?

MR. MERCIER: I indicated at the beginning that the Job Office formerly was under the Executive Council and was transferred to the Department of Municipal Affairs. It has 13 employees, four permanent civil servants and nine contract or term employees. They are basically monitoring the Job Creation projects that were approved under the previous government and those which have been approved under our government. To monitor them they are basically in the area of the local government and local groups projects, the ISEP projects and the SNEP projects.

MR. URUSKI: Could the Minister indicate what funds are available under those programs that he mentioned for continued funding in the 1978-79 fiscal years? Could he give us an indication?

MR. MERCIER: I indicated to the Member for Seven Oaks when he asked the question about the capital carry-over that there was \$1.66 million in carry-over capital authority, and that there were sufficient applications on hand to cover all that authority, but the programs have not yet all been approved.

MR. URUSKI: There are applications totalling that amount . . .

MR. MERCIER: The money is committed but not spent.

MR. URUSKI: . . . not committed as yet, or the full amount been committed but yet not disbursed as per the projects that are under way.

MR. MERCIER: Committed but not disbursed as yet.

MR. URUSKI: Not disbursed.

MR. CHAIRMAN: 9.(a)—pass; 9.(b)—pass. Resolution 94: Resolved that there be granted to Her Majesty a sum not exceeding \$180,000 for Municipal Affairs, Provincial Job Office—pass.
Back to Item 1.(a) under Resolution 86 — Member for St. George.

MR. URUSKI: Mr. Chairman, just a few words to the Minister. I would like to first congratulate him on his appointment as Minister of Municipal Affairs and the inheritance, I believe, of a very competent staff within his department, and the six months in government has certainly, I believe, stood the Minister well, especially in the area which I believe the Conservative party has made a complete reversal from past years of criticism of the previous administration, and that is in the area dealing with planning. They have completely reversed their position for the need of proper planning, or at least they've indicated — maybe I'm a bit too harsh — the members previously indicated that there was a need for planning. Some members indicated that the Planning Act, as it was brought in by the previous administration was regional government coming in the back door. And certainly the now Minister of Municipal Affairs has rebuked the comments that have been made by his colleagues and has indicated that there is a need for proper planning within the province of Manitoba and that he is a staunch supporter of the Act, he will be only making minor revisions in terms of the administration of the Act.

Included in his functions he has put on the member, the Minister without Portfolio, who accused the previous government of bringing in regional government, the Member for Morris now, who is an avid supporter of provincial land use policies and sits on that committee as chairman. This certainly brings forward the complete reversal of the Tory position of last fall. As they say, what a change six months makes in government.

The Provincial Planning Branch, which was accused as being a bureaucratic mess by Members of the Conservative Party of the day, I listened to the Minister very intently this evening, and I asked him whether he concurred with some of the comments made within the Task Force Report about the redundancy of staff, and he indicated that there were none. He would be making administrative changes as the need arose and that there was no inherent bureaucratic mess as his colleagues had alleged last year, because he is continuing on the policies of administration that were brought forward. He will, as time goes on, make the changes necessary which would only be logical, but in these Estimates this year it certainly goes to show you what a difference six months makes when you are on one side of the fence and now you are on the other side of the fence.

I'm certainly pleased in any event that the present Minister, and even the Chairman of the Land Use Committee is in the process and is going ahead with proposing provincial land use policies and that these will be brought forward to the Members of the House within short order so that guidance can be given to Municipal Councils in determining their future policies for proper land use within this province.

I will look forward to the Minister's assessment and investigation into The Assessment Act and procedures within this province and I will await what changes he may propose, especially, I hope he takes into consideration the comments made in previous years by members of his party and that those recommendations will soon be forthcoming, as he has indicated that he hopes, prior to the next session.

MR. CHAIRMAN: The Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, I don't want to spoil the Minister's evening, but I just wonder why it would not be appropriate to reduce his salary to zero on this department? The reason I say that is because I gather that there are salaries in three departments for this Minister, unlike other Ministers who have only the privilege of receiving one salary even though they may have two or three departments. I am wondering if there is any explanation, Mr. Chairman?

MR. MERCIER: To put the member's mind at ease, Mr. Chairman, I only receive one salary.

MR. USKIW: Mr. Chairman, I presume we have to chalk that up to an error in printing because we want the Minister to have his bread and butter; we are not going to deny him that this year but we're not going to vote three times on it.

MR. CHAIRMAN: Resolution 86: Resolved that there be granted to Her Majesty a sum not exceeding \$446,100 for Municipal Affairs General Administration—pass.
That concludes, gentlemen, the Estimates for Municipal Affairs. Committee rise.

MR. CHAIRMAN: I would direct the honourable members to Page 28 on the Department of Education. We are on Resolution 47, Clause 7.(a)(2) Other Expenditures — \$22,000. (a)(2)—pass — The Honourable Member for Logan.

MR. JENKINS: Thank you, Mr. Chairman. I wonder, on this item, if the Minister could give us the reason for the increase in the Expenditure from approximately \$15,000 to \$22,000.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, the increase relates just to the increase in staff, as I mentioned before, the Student Aid Appeal Board is transferred to this particular department and as a result some moneys came with it. I believe that covers the reconciliation there.

MR. CHAIRMAN: (2)—pass — the Honourable Member for Burrows.

MR. HANUSCHAK: Could the Honourable Minister indicate who is the Chairperson of the Student Aid Appeal Board now?

MR. COSENS: Mr. Chairman, the Chairperson is a Mr. Wayne Brewer.

MR. CHAIRMAN: (2)—pass — the Honourable Member for Ste. Rose.

MR. ADAM: Mr. Chairman, are we still on (a)(1) Salaries Administration?

MR. CHAIRMAN: I'm on (a)(2) Other Expenditures.

MR. ADAM: Well, before the Private Members' Hour, I was discussing immigration, and I'm just wondering if I could continue on. I had a few remarks to conclude in regard to that problem that I see existing in northern Manitoba, and it also affects many other constituencies in the province, and it does affect mine.

I believe that our immigration policy could be improved, as I mentioned before we adjourned for Private Members' that we are allowing people to come in and to perhaps take up employment that should otherwise go to our own people here who are unemployed. We seem to take the attitude, Mr. Chairman, that if we turn our heads the other way the problem will somehow disappear, and it is not going to disappear. I think that we just cannot allow this type of dependence of some of our citizens who are living in remote areas, and who are, I am sure, if they were able to come out and work and to see themselves displaced by immigrants from other countries, I think that the MIB has set up some type of a committee to address itself to this problem, and I'm just wondering what direction the Minister is going to take, because I notice, by looking at the Estimates, Mr. Chairman, that most of the programs that affect the north — and we have been debating this for quite some time — but many of the programs that affect the citizens of the north, training programs, Continuing Education, have been either severely cut back or phased out entirely and these are some of the programs that have been established by the previous administration to try and reverse the trend that is taking place in our remote areas. I would like to hear some comments from the Minister if he could reassure us that we might take some serious and progressive steps in this direction.

MR. COSENS: Well, Mr. Chairman, I have some difficulty just understanding the point of the Member for Ste. Rose. At one time he was talking about immigration and then he was talking about programs that are being offered and if he is suggesting that immigration is interfering with job opportunities for local Manitobans, then I would tend to agree with him that that is a serious situation, if in fact that is what has been happening over the last few years.

The matter of programs and so on, I think we will probably discuss as we come to them in the different items that are under this particular appropriation but I would share his concern if in fact there is evidence that native Manitobans have not been able to find work because that has been taken by people who have been imported from other countries to fill those particular vacancies. If that's been happening over the last few years I would suggest to him that is a situation to which we should address ourselves.

MR. CHAIRMAN: 2.— pass — the Honourable Member for Lac du Bonnet.

MR. SAMUEL USKIW: Mr. Chairman, the Minister of Education and in this particular instance he's talking about immigration in the labour force, the labour training programs. If he's not aware that we have had a problem in this province over many many years, a problem of trying to employ the hitherto considered unemployables, a problem about that group that was not participating in the work force on a chronic basis. In a chronic way, then I would like to take this opportunity to remind him that that is a very serious problem and becomes more serious, Mr. Chairman, when we have a high level of unemployment generally, that to the extent that we have a high percentage of unemployment of the normal work force it becomes that much more difficult for those groups that historically were not part of the so-called normal work force to place themselves in industry and indeed in job opportunities

throughout Manitoba. It's in that connection that the Member for Ste. Rose tried to seek from the Minister some answers as to what the department's policy is with respect to training opportunities for people who are, have been and continue to be, disadvantaged in one way or another, and then what is the policy of the Minister with respect to the bringing in of people from outside of the country to fill job positions at a time when we have record numbers of unemployed? I know that's probably simplistic in itself.

MR. CHAIRMAN: This line of questioning has preceded the evening adjournment and if you have something more particularly that you would care to bring up, I would allow you to carry on, but we have proceeded under this line, and the Minister has answered questions on this particular line.

The Honourable Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, then, may I put the question, if I am out of order then I will take my seat, but are we not considering the Minister's responsibility with respect to immigration? I thought that is part of this discussion.

MR. CHAIRMAN: Carry on.

MR. USKIW: Well, Mr. Chairman, if the Chairman suggests to me that we have passed that item, perhaps I can take it up under the Minister's Salary; I have no problem with that, but if that item is part of this vote, then I would like to continue.

MR. CHAIRMAN: Would the honourable member continue? If the Minister doesn't care to answer, or if it's different from the answer that he's given before we'll find out.

MR. USKIW: Well, Mr. Chairman, for a number of years in this province we have had pressure from two sides with respect to the employment of groups of people who were not normally considered to be in the work force, and in particular, the native groups within Manitoba. We have pressure from that side seeking government help, from the native group side, from the disadvantaged group side, asking government to assist them along in becoming involved in the work force. A We have had pressure from the other side, the employers' side, suggesting to the government over the years, at least during my period in government, that we should really allow numbers of non-Canadians into the work force here in Manitoba, and we have consulted on a number of occasions when we were the government, with these groups and indeed, with the Government of Canada, with respect to their policy. And there was a consensus as between the two governments in the last two or three years, a consensus based on the fact that we have had degrees of unemployment that was unacceptable to both the Federal Government and the Provincial Government, that on that basis we would not want to bring in labour from other parts of the world, for whatever purpose. And we had agreement, and that was the way in which we had carried on in the last two or three years. Now, my understanding is — and the Minister could correct me — that we are now reversing that policy and we are introducing back into Manitoba labour people from outside of the country to take up positions that should be taken up by Manitobans and by Canadians.

Mr. Chairman, that's a very serious problem because just yesterday the Minister of Finance got up to tell us that we are somewhat worse off than we were a year ago with respect to our unemployment numbers, somewhat worse off, some .3 I believe it was, worse off than we were a year ago. And here we are reversing a policy of a year ago, a policy which suggested that there shouldn't be any off-shore labour brought in, or out-of-country labour brought in until and unless there was a shortage of working people in this country, and that in its place government should do many things to introduce into the labour force people who were not part of the regular labour force to date — whether it's through training programs, on-the-job, off-the-job combinations. That's the policy that we had. How can this government, Mr. Chairman, justify reversing that policy when just yesterday the Minister of Labour told us that we are worse off unemploymentwise this month compared to where we were a year ago?

Now this is something that is not to be tolerated by the people of this province and by the people of this country, Mr. Chairman, and I think it's the responsibility of the Minister in charge of immigration to come down hard on that issue and to make sure that jobs are protected for people who need jobs who are residents of this province, and we have many of them — more so today than we had a year ago, Mr. Chairman. And if they are not suited to these jobs then let's put in the training dollars to make them suitable. This is something that has to be done sooner or later.

Mr. Chairman, to the extent that we ignore that problem we are forcing future generations of people to cope with a problem much greater than what we have today because, in the numbers game, that particular situation is worsening. There are more of those people on the scene each year and we have to come to grips with that reality. We can't ignore the fact that there are tens of thousands of people in Manitoba that were not part of a regular work force and that they should continue to be so or that they shouldn't. We have to deal with that problem realistically. We have to recognize that they are there, they are people. And we have to recognize that they have to be fed, they have to have housing, they have to have certain basic amenities which have to be provided for by the taxpayers of this province and the taxpayers of this country, and that it would be much more desirable if they were productive people, not only for the position of the taxpayer but for their own well-being, for their own life style. For the sake of their own life style it's important that they feel part of the total community

and that they are able to participate more fully in the economic development of this province through the regular work force.

It's not good enough to say that we've never included them in the manpower statistics and the unemployment statistics and therefore it doesn't matter. It matters, Mr. Chairman, because there are more of them each year and they have to be dealt with in an equitable manner.

MR. CHAIRMAN: The Honourable Government House Leader.

MR. JORGENSON: Your initial instinct was correct when you suggested that this was the wrong item for the Honourable Member for Lac du Bonnet to be pursuing this particular subject. I hesitated to interrupt him in the flight of his eloquence but I think that the subject matter that he is interested in pursuing could be better pursued under Items (d), (e), and (f). What we're on right now is Item (a)(2), Other Expenditures; we have passed the item under which he might have been able to discuss the question of immigration, but when it comes to training and the subjects that he appears to be interested in, then I suggest that he pursues it under Items (d), (e), and (f), and they are far more appropriate under those particular items, because they do deal with training at that particular point. And I think, Mr. Chairman, you were correct when you drew the honourable member's attention to the fact that he was out of order at that time.

MR. CHAIRMAN: The Honourable Member for Lac du Bonnet.

MR. USKIW: Well, Mr. Chairman, just on that point, I don't believe that you can separate that question into two parts, training and immigration, because the two relate very well, to the extent that if you train, you don't need immigration, and therefore you cannot discuss it intelligently without tying the two together. I don't believe that they should be discussed on two separate motions.

MR. CHAIRMAN: Order please. The Honourable Government House Leader.

MR. JORGENSON: We might have had an argument if we had been on Item (a)(1), but what we are on is Item (a)(2), and therefore I suggest that he has gone past the point where he could have discussed this in the context in which he now suggests he could have discussed it. (a)(2) deals with Other Expenditures, which is not the main item.

MR. CHAIRMAN: To the honourable members, I have been allowing some latitude. There was, in my opinion, some connection between immigration and the whole of Item (a), but I would recommend to the honourable member, if he could hold his time to ask his questions under Item (d), it would be more appropriate.

The Honourable Member for Burrows.

MR. HANUSCHAK: Yes, Mr. Chairman, the Honourable Government House Leader is no doubt quite correct if we are going to debate new, innovative training programs which may come under special programs which are not, or were not included under any previous item discussed in the Estimates. But, Mr. Chairman, I listened to the Honourable Member for Lac du Bonnet quite intently and his line of questioning was directed at immigration policy. Now —(Interjection)— but essentially at immigration policy. Now, if we're dealing with that item, Mr. Chairman, then I suggest to you that it's equally appropriate under (a)(2) as it was under (a)(1) because really we do not know whether whatever expenditures this government is going to incur in matters relating to immigration are going to be incurred under Salaries or under Other Expenditures, because it may well be that whatever the government is going to undertake to matters related to immigration, might be under Other Expenditures.

MR. CHAIRMAN: The Honourable Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, on the same point of order, I want to suggest that as I understand the presentation of Estimates, that Other Expenditures and Salaries relate to the same subject matter, but they're broken down into two components: One is the salaries of staff, and the other one has to do with the expenditures of the program, and therefore it relates properly to the question of immigration, or the question of training if any moneys are spent in those two areas from other expenditures.

MR. CHAIRMAN: The Honourable Government House Leader.

MR. JORGENSON: I simply recall when my honourable friend, the Member for Logan, was in the Chair that he would either allow us to discuss those items under one or the other; my honourable friend could take his choice — not on both of them. Now, if he wants to discuss it under this one then he will not be able to discuss it under the second one. I would suggest that he has far more scope to discuss it under items (d), (e) and (f) than he does under this particular, quite narrow section. We are passed the item of Salaries; we are on the question of other Other Expenditures, which is an entirely different one. It is quite a narrow one, and if one wants to use the very narrow definitions that used to

be imposed by the Member for Logan then we would not be able to discuss in any way, shape or form the items that are being discussed by the Member for Lac du Bonnet at the present time.

Now, I am simply suggesting to my honourable friends. I don't care where they discuss it — either this item or the other one — but they are going to discuss it once. That was the dictum that was laid down by the Member for Logan, when he was the Chairman of the committees, and I suggest to my honourable friends if it was applicable in those days then it should be applicable today.

MR. CHAIRMAN: To the honourable members, it was my intention to allow the discussion, the debate to proceed because there was some connection with immigration and I felt that if we allowed the discussion or debate to carry on at this point that it wouldn't be repeated again later. So I will recognize the Honourable Member for Lac du Bonnet.

MR. JORGENSON: . . . as long as we have a clear understanding that that subject is not going to be discussed under (d), (e) and (f), then I don't mind if it's discussed now.

MR. CHAIRMAN: The Honourable Member for Brandon East.

MR. EVANS: Mr. Chairman, on the point of order, as a Minister of the previous government for eight years, I can assure the members of this House that many items were discussed not under one particular topic; many programs were discussed under various topics in the Department of Industry and Commerce and, indeed, my recollection is this applied also to many other departments. And I cannot remember inflexibility; in fact the key word was flexibility. I daresay that I recall answering many questions on a particular item and some honourable members would come into the House later and ask the same questions, and I had to repeat. Maybe the Honourable Minister feels a bit frustrated, but I can assure him that I, for many years, answered questions under not only one item but related on other items. Under other items, I answered questions on related matters and indeed, in some cases, the same matter.

Certainly, whether it be Salaries or Other Expenditures, as long as it's under that particular division or that particular subsection debate was permitted and that is my recollection for many a year.

MR. CHAIRMAN: The Honourable Government House Leader.

MR. JORGENSON: Mr. Chairman, my honourable friend from Brandon East was never in the House long enough to know just how the rules were applied in those days and I suggest to him that if you are going to discuss it under one item I don't mind what item they discuss it under, as long as that's the only item you are going to discuss it under.

Now, it's up to the Chairman to determine under which item it's going to be discussed, and I have no objection to that. I just simply want to make it known and want to have the assurance that if it's going to be discussed once it is not going to be repeated in a later item — that's all.

MR. CHAIRMAN: To the honourable members, order please. I think that this is the statement that I have made just previously, that I will allow the discussion on it and, if it becomes a repeat discussion or debate, I will, at that point, rule it out of order.

The Honourable Member for Burrows.

MR. HANUSCHAK: Just a question of clarification, I understand that the Honourable Chairman is referring to immigration policy, not training programs.

MR. CHAIRMAN: That's correct; I am referring to immigration policy and there was some reference to immigration in the Honourable Member for Lac du Bonnet's debate. I would allow the Honourable Member for Lac du Bonnet to carry on. The Honourable Member for Lac du Bonnet.

MR. USKIW: Well, Mr. Chairman, I did complete my comments for the moment. I was hoping the Minister would have the opportunity to respond to the two or three points that I made in my comments. And further to that, if I don't get a clear statement of policy, I will pursue it. But if he has a statement to make on the question, then I am prepared to wait for that statement.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, I am quite prepared to reply to the Member for Lac du Bonnet. I have some problem understanding a couple of his statements. He said, "We have seen a complete policy reverse."

Well, I would suggest to him that I don't know what reverse in policy we have seen. I have stated earlier this afternoon that I would be taking a policy paper to Cabinet in a few weeks, regarding the immigration agreement or understanding with Ottawa and, at that time, our policy in this area would become crystallized. And until that time, my ability to remark on that policy — I think he can fully appreciate — is somewhat limited. But to stand up and say that he has seen a complete policy reverse, I would question on what grounds he makes that particular statement, and question it very seriously.

I understand in the area of agriculture in previous years that the Minister had no policy and in fact remained neutral, and I suppose this was the provincial stance. And it has been our stance up to this point, where we will be culminating an agreement with Ottawa. And it was my understanding that in the past that Ottawa made the decision as to how many people came into this province and where they worked, and not the Minister of Agriculture.

Now, I know that he, no doubt, is probably referring to some agricultural situation where workers have been brought in, or there is talk of workers being brought in. If that's the case, I would question whether he had pursued this in Agricultural Estimates or not. —(Interjection)— Yes, I am quite prepared to admit to the Member for Lac du Bonnet that immigration falls under the heading. It also fell there before, as well, of course. But as far as who determines the number of people who come into the province and where they go, that is done by Ottawa. I repeat that to him. That is no reverse in policy, by the way. It's the same policy that existed when he was Minister of Agriculture, at which time, as I've said before, I understand that he had no position whatsoever and left the decision to Ottawa and remained quite neutral on this particular point.

As far as pursuing policy, he can pursue it all he likes, Mr. Chairman, but I am not in a position to define what our policy is, at this time, until I have had it to Cabinet and the paper has passed passed through Cabinet.

MR. USKIW: Well, Mr. Chairman, perhaps the Member for Gimli should not be expected to be aware of some of the historical relationships as between the role of the province and the role of the Government of Canada on the question of off-shore labour etc. And for his benefit, I will indicate to him that, yes, he is correct that it was a federal role. But I tried to imply — and perhaps I wasn't clear enough and I will clarify it for him — that we have had pressure from two opposing groups. The workers group saying, "Don't allow any off-shore people into this country while we have large numbers of unemployed. Give us some training programs." And on the other side of the ledger, we had the employer group saying, "Allow us to bring in off-shore labour or labour from other countries." And in particular from Mexico, Mr. Chairman. And yes, while it's true we didn't have the jurisdiction, but we, as a government, did not allow our name to be used on the side of the argument that we should bring in off-shore labour at a time when we had high degrees of unemployment. It was something we just were not prepared to do. We were not prepared to support the requests of the employer sides at that particular time.

Now my point here today is that yesterday the Minister of Labour announced that our unemployment position this year is somewhat worse than it was a year ago. My understanding is — unless I am recalling something that is not correct — but I recall either reading or hearing a statement on Mexican labour that is going to be allowed into Manitoba this year by one of the government Ministers, and perhaps I can be corrected there, Mr. Chairman, but it's my impression that for this year apparently there is going to be support, by this government, for the introduction of labour from other countries to come into the Manitoba labour scene. If that is incorrect I would be pleased to be corrected, Mr. Chairman.

MR. COSENS: Mr. Chairman, if that is the case — and it is the case as far as 19 farm workers are concerned — that's not the first time; because we have had, I suppose, hundreds of off-shore people come into this province to work in the northern part of this province and perhaps in other parts, if we want to go back a year, two years, three years, four years. But I can tell the Member for Lac du Bonnet that there are 19 Mexican farm workers who will be working in the Portage la Prairie area this summer — that's the proposed number — and that figure was agreed to by the Manitoba Farm Workers' Association, the Manitoba Department of Agriculture, the Canada Employment and Immigration Commission and farmers in the Portage area.

MR. USKIW: Mr. Chairman, then I want to pursue it on this basis, that doesn't it make more sense, Mr. Chairman, for the Minister who has the responsibility to provide Manitobans with a degree of education, a degree of ability, to seek job opportunities once they graduate from its training schools or colleges, or whatever, doesn't he see it as his responsibility to get us away from any dependence whatever on off-shore labour, and in particular more so at a time when we all agree that we have an unused labour supply here in Canada? It's much more mobile than it used to be these days, Mr. Chairman, and if need be the government could do something to enhance its mobility. But that is where the dollars have to be spent. That is where the action has to take place; to make productive people out of people who have not been productive but who want to be, to give them an opportunity to participate.

The philosophy of this government, Mr. Chairman, on people programs to date — that has been revealed to date since the election — is that they say, "To hell with the people and people programs." And it's in that context, Mr. Chairman, that I raise the issue at this point in time, because it's absurd. It's absurd, totally absurd, Mr. Chairman, to be bringing people in from different countries for short periods of time as our, sort of, regular labour force when we have thousands — tens of thousands — of people sitting on their hands drawing welfare cheques, drawing money from the Indian Affairs Department, drawing money from Unemployment Insurance funds; it's totally absurd. A million people in this country unemployed and we are saying, "Yes, we're going to bring in some people from

other countries to do the job for us." It just doesn't make any sense. The big problem is the big numbers out there that have to be brought into the labour force that have not been there traditionally; and that is a job that I don't think can be done overnight. It has to be attacked, Mr. Chairman, it has to be attacked by that Minister, by the Minister of Labour and by the whole apparatus of government — whether it be government agencies, the Public Works Department or whatever — it is a massive job that has to be carried out and the clock is running out on us on that issue.

We cannot raise new generations of people with no expectations that they can participate in the economy of this country, of this province. They have to have some goals and we have to be in a position to provide them with those opportunities through the educational system, manpower training, upgrading, whatever the terms are or combinations of M/ them, we have to be prepared to put dollars into those programs. While we are doing that we have to put a damper on immigration when we have such high degrees of unemployment.

MR. COSENS: Mr. Chairman, I agree with the Member for Lac du Bonnet that there is a certain absurdity here. I think I agree with him that we should have a Manitoba First policy, if that's what he's saying.

But by the same token, when he talks about training courses and educating people, I suggest to him how much training do you need and how much education to hoe sugar beets?

I suggest to him that if we've got thousands of people who are unemployed, how many have applied for these jobs where they found it necessary to bring in the off-shore people?

I suggest to him, also, that yes, we have a problem. Is it a problem of training? Is it a problem of education? Or, Mr. Chairman, is it a problem of initiative, or perhaps all three?

MR. USKIW: Well, Mr. Chairman, I know the Minister of Education is on to some very important facts of our situation. There's no question about that, that his statement is relevant. But it is also our responsibility, Mr. Chairman, and his responsibility to respond to the fact that maybe there is a lack of initiative in some quarters and that that has to be stimulated. It isn't going to happen on its own. There has to be some direct involvement on the part of provincial governments, indeed on the part of the National Government, to pull these people into the system through one means or another so that they can participate, so they can even learn the importance and the benefits of participating in the economy.

I don't think it's good to say that they are lazy and therefore, motivation is a problem. It's true that there are some groups that have not really had that kind of, sort of, psychology built in. Or that for historic reasons — for historic reasons — they haven't been brought into the main stream, and I think everyone here in this Chamber recognizes what I'm talking about. Remoteness from the scene; remoteness from the job opportunities is a big handicap for a lot of these people.

But I don't believe that the answer is to look the other way because no immediate solution appears on the horizon, that we can look at an exploding population in a remote community and say, "Well, so this year there are 500 of them that are drawing or deriving their livelihood from the welfare cheque, and next year there will be 550." So what?

I don't believe that that is the future, Mr. Chairman. That is what we have to attack and get rid of over time — I know it can't be done overnight — but the emphasis of the Department of Education and the government has to be not away from people programs, but has to be more for people programs. In other words, the opposite to what this government has done to date, and the opposite to what they have enunciated to date. The restraint programs in this area, Mr. Chairman, are penny wise and pound foolish because they will have long-term devastating effects on many many people, on many many people, Mr. Chairman. It is a human factor that should be taken into account by any person that has some degree of feeling for the basic rights of human beings.

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

MR. ADAM: Yes, I would like to ask the Minister if, when we have an agreement or come to an agreement with the Federal Government on how much immigration is going to be allowed on the short-term work basis, do we have a mechanism for communicating with the native groups to apprise them of the job opportunities in this area? Do we say to them we need 19 people to do such and such a job, are you able to provide that number of people? I am just wondering if we are cultivating that area sufficiently and should we do more in that direction?

MR. COSENS: Mr. Chairman, to the Member for Ste. Rose. I would suggest that if we don't have an effective mechanism of that type of communication I would certainly be one to promote it and I would also suggest to the Member for Ste. Rose that perhaps in the past we haven't had a very good method of communicating that, if I judge the results in the same manner as he would judge the results. We haven't been very successful in that area in past years. And I'm not speaking of just the previous government, but I don't think governments generally have been that successful. If he is suggesting that the communication of a need or an employment opportunity area has not been communicated, then I think that would certainly be an obstacle that could be overcome very easily and it's certainly one that I wouldn't hesitate to pursue.

MR. CHAIRMAN: 2.—pass — the Honourable Member for Logan.

MR. JENKINS: Thank you, Mr. Chairman. I really don't want to go back to immigration because I was pretty well satisfied this afternoon, but the discussion that's taken place this evening has sort of left me in a bit of a quandary. I really don't know now which department is primarily, and the Minister can assure me, if the policy that is going to be developed and passed by Cabinet — and I'm not asking him for that policy right now — but is it going to be with regard to immigration, is it going to be drafted and set up by his department or is it going to be a co-operative effort say between the Department of Labour, the Department of Agriculture, because all these fit into the immigration picture? But what seems to be coming across now is that it seems like it is strictly the Department of Education that is going to be drafting a proposed policy to take to Cabinet, and if he can assure me that it is not just his department, but I think there are, as has been stated this evening, there are many departments that should be involved in evolving a policy that would go to Cabinet and in turn be the policy that this government would take to Ottawa with our respect toward immigration, not only in the immediate sense that we are employing people, but I can understand really his involvement which I thought this afternoon was dealing with education at two levels, the secondary and the post-secondary level. I thought that was the part that his department had in the immigration policy that would be set up as a policy to take to Ottawa for the conference when it's held.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, to the Member for Logan, he is quite right and I apologize if I gave the wrong impression here. There are nine government departments involved on the Committee on Immigration plus representatives from the universities and colleges. I suppose the reason that it rests within the umbrella of the Education Department is that in the past, a great deal of immigration concerns have been in connection with education, whether it be foreign students, foreign professors, whatever, and I think in the future that will still probably be a factor. So that in fact, it is my department that co-ordinates and heads up that particular committee.

MR. CHAIRMAN: 2. —pass — the Honourable Member for Brandon East.

MR. EVANS: Mr. Chairman, I would just like to ask a couple of points about immigration. I gather the Minister is going to be making an announcement re policy in a matter of weeks, when Cabinet has more or less finally come to some decision, some consensus on the matter. The whole question of the role of provinces in immigration policy formulation of course is an area that provinces have not, to date at least, taken a very active role in. I believe there is some reference in the constitution for the consultation process to take place by the Federal Government with the provinces, but really the lead role has been and of course will continue to be the Federal Government, and that is very natural. But for the last year or so, the last year and a half there has been greater emphasis by the Federal Government on consultation with the provinces.

One of the arguments, or one of the positions put forward by the Federal Government, as I recall, is that it is concerned that some parts of Canada are very slow growth areas. They are areas, as a matter of fact, where considerable depopulation is taking place, or if it isn't depopulation it is a matter of the relative population position becoming smaller. In other words, the province of Manitoba as a percentage of the Canadian national population total, is smaller today than it was 10, 20, 30, 40 even 50 years ago. The fact is, whether we like it or not, Manitoba as a percentage of total Canadian population is becoming smaller and smaller, although our absolute population has risen above a million people and continues to rise, albeit slowly, nevertheless population growth in British Columbia, parts of Alberta, southern Ontario, and I guess some other areas of the country are such that we are becoming a smaller and smaller percentage of the total. And the Federal Government did indicate an interest in somehow or other directing immigrants to these slow growth areas, to the areas of depopulation and so on. I don't know how easy it is to do this, in fact I don't know how successful that can be in a democratic society at least. As long as people have the freedom to move around I don't see how any dictum or any policy of government can say that you must go to this province or this region or this area of the country, and stay there. I don't see how that can work, not unless you institute totalitarian measures. I don't think my honourable friends opposite would be interested in this, and I'm not sure what the Federal Government thinking is. I'm sure they are not thinking of that, but that was the position that has been stated, that we're going to try to get these immigrants to go not to Toronto or Vancouver, but we're going to try to get them to go to the smaller cities and try to get them to go to the slower growth areas.

Well, the fact is that the economic opportunities do not exist in the slow growth areas unfortunately. This is the problem, you know, it's fine to say, okay, let's build up the city of Portage la Prairie, we'll have another thousand or two thousand immigrants earmarked to go to that fine city. But unless there are the job opportunities, obviously they cannot make a living there and there will be no rhyme nor reason for them to want to stay there.

So I think while there has been a lot of discussion and a lot of policy pronouncements at the federal level as to how they're going to consult the provinces and how they're going to maybe somehow offset this problem of population being over-concentrated perhaps in three or four major cities of this country, in spite of all these pronouncements, I'm afraid that their objectives of spreading immigrants across this land are not going to be achieved.

What I would be interested in knowing is whether the Federal Government is now asking the Province of Manitoba, along with the other provinces in the policy position, to indicate a level of

immigrants that it might wish to see come into the province in any given year or any given period of time. I'm not asking the Minister to tell me some policy position that may not quite be formulated yet, I'm simply putting to him some of the questions, asking him what are some of the questions that have to be answered, that the government itself has to ask of itself and its staff in formulating a position. Are you answering these questions? Are you being asked to answer these questions? How many immigrants that might be coming, that you may wish to have in Manitoba, from what countries of the world; are you being asked for your opinion with regard to occupational skills of these people; are you being asked questions as to the age group of the immigrants that might come to this province? And also, are you being asked to cost-share somehow in some expense that may be involved in getting immigrants established in the first place? Are these some of the questions that are being asked of the government? And are these some of the questions that the government is now grappling with in the formulation of a policy position?

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, to the Member for Brandon East, certainly some of these are questions that the province will be addressing themselves to under the new Act, and perhaps the No. 1 question will be, how many people each year will enter the province as immigrants? And this question will have some input from the province with Ottawa. They will consult the province as to the number of immigrants entering each particular year.

MR. CHAIRMAN: 2.—pass — the Honourable Member for Brandon East.

MR. EVANS: So the Minister is saying, well at least that is one major question that you will be consulted on, the number. Has the Minister attempted to answer the question that I put in my remarks in effect, and that is, how do you arrive at that number and how do you assure yourself that that particular number will find opportunities here and will be able to blend into our society and will be able to make a living and prosper and live happily with the people?

In other words, how do you determine that number, and secondly, how do you assure that those immigrants, those people will be able to stay in the province? How do you assure yourself that there are the job opportunities, the jobs awaiting those people? I think, as everyone in this House surely should agree at this point, we've got unemployment like we've never had unemployment in this province since the Second World War. Our unemployment situation today is worse than it has been. I state this categorically. Relatively speaking, it's worse than it's been since the dirty Thirties and unfortunately, there just are not those job opportunities. We have 15,000, 16,000, 17,000 people under 25 who, according to the last Statistics Canada survey cannot find work and are looking for work and are able to work. Some of these have university degrees, some of these have college degrees and certificates, but they're all able, willing and wanting to work, looking for work, according to the survey.

But I go back to the question, how do you determine that number, and then how can you assure that that number will have opportunity to stay here, particularly considering our unemployment situation?

MR. COSENS: Mr. Chairman, I think I probably dealt with that particular question a little earlier, but I don't mind going over it for the Member for Brandon East. We do have a Manpower Needs Committee that very carefully studies unemployment trends, developing employment areas, dropping employment areas through the province, they have become, I would say, considerably expert at this particular task, and of course it is their determinations that help in the operation of the training agreement that we have with Ottawa. The figures that they amass help us determine how many people we need in particular employment areas, and of course point out those areas where we have an over-supply. So I would suggest to the Member for Brandon East at this time that those indicators would be one of the main areas that we would consult in determination of how many people we lack in a particular employment area, considering the training we're doing of our own native Manitobans.

MR. CHAIRMAN: 2.—pass — the Honourable Member for Brandon East.

MR. EVANS: Mr. Chairman, I understand from the Minister's remarks then that this Manpower Needs Committee is concerned with the question of what training should take place in our trade or technical schools. Does it address itself, or is it now addressing itself to the question of how many people it sees that Manitoba's economy can absorb over and above the graduates of these various schools and institutions of learning? The committee was set up, essentially for the purpose of deciding, should you increase the spaces for barbers in training, or automobile mechanics, should you reduce the number of people who are trained in carpentry skills and the like. This is what I would gather, it's an assessment of the occupational demand and supply within the province, which is fair enough. But I'm asking the Minister, is that committee, which was set up for that purpose, now engaged in the process of determining how many immigrants this province needs to fulfill the demand for occupations, wherever they may be?

MR. COSENS: Mr. Chairman, of course the determination of the numbers that the Member for

Brandon East refers to, will certainly have to reflect on the type of information that we're receiving as to these particular training areas and employment and unemployment areas. And the number that we can absorb will be taken into consideration.

Last year, there was some 5,058 people entered Manitoba, at least that was their intended destination. Some of these were older people, of course, who did not come here with the intention of working but had come here to spend their twilight years with relatives. The figures that I have indicated that some 41.7 of the people who came in were destined to the labour market at that time, so if you take 41 percent of that 5,000, you're working with some 2,000 people, I believe that were absorbed into the labour market last year. It is my understanding that many of these people move into the type of jobs that quite often Manitobans are not interested in taking and are absorbed into those particular areas.

MR. CHAIRMAN: The Honourable Member for Burrows.

MR. HANUSCHAK: My colleague, the Honourable Member for Brandon East, did make reference to unemployment as it affects the under 25 age group and then in turn as I would think it should relate to Manpower Planning and Development, I am sure that the Honourable Minister is aware that about a year and a half, well, practically two years ago . . . No, it will be a year ago; I believe that it was last June that there was the Commonwealth Heads of State Conference in England and one of not the major issue to which that conference addressed itself to was the matter of unemployment of people under 25 years of age. It was recognized to be an international problem, certainly a problem affecting all countries of the Commonwealth and beyond that, the whole world, one might say.

This being the time of year, Mr. Chairman, when over the past couple of weeks and continuing over the next two months, we will see the labour market flooded with another few thousand job applicants, the graduates from our universities, the graduates from various courses at our community colleges I'm sure that commencing as of a couple of weeks ago, and this no doubt will continue for quite some time, that the waiting rooms at the personnel offices are going to be wall to wall with university and community college graduates — (Interjection) — And many of them with bare feet, yes. Now, the Honourable Member for St. Matthews isn't aware of the fact that there are people in his riding not being able to afford to buy a pair of shoes, he is not aware of that. I would hope that over the next two or three years, he will become better acquainted with the social and economic conditions in St. Matthews constituency and in other ridings in the province.

So the case being what it is, Mr. Chairman, at this point in time with the influx of another few thousand — (Interjection) — I believe, Mr. Chairman, that the Honourable Member for St. Matthews feels an irresistible urge and compulsion to assist the Honourable Minister in defending his Estimates. I would be glad to yield to him in a minute or two and I'm sure that he has something to contribute that would assist you, I would hope.

So, Mr. Chairman, I would ask the Minister, being responsible for Manpower Planning and Development, if at this point in time he can extend to our university and community college graduates some glimmer of hope of improved job prospects or some indication of the government's plans and of what he, as Minister responsible for Manpower Planning and Development will attempt to do and will attempt his colleagues and Cabinet to do to come to grips with the unemployment situation as we have it now and in particular as it affects our young people and the graduates of our universities and colleges?

I am sure, Mr. Chairman, that the people to whom I am referring, the young men and women, would welcome some statement from the Minister at this particular point in time as to what this government is doing, is planning to do over the next few months in an attempt, of resolving or at least coming to grips with and doing whatever can humanly possible be done within the parameters of what a province can do to deal with the unemployment problem relating to our community college and university graduates.

MR. COSENS: Mr. Chairman, the Member for Burrows of course mentions a very very huge problem at this time and a problem that afflicts not only our province but our whole country and, in fact, most of North America.

Of course, the problem hinges very directly on the economy and the economy not only of our country but specifically of our province. The hope for more jobs has to rest on the development of that economy, on our ability to attract business and industry to this province, because those are the big employers. I would assure the Member for Burrows that our government will do everything possible to achieve that particular goal. Once that goal is achieved or as we move towards it, certainly the opportunities for employment will increase and of course in the long-term view there is every indication that in some five or seven years down the road — and that is small solace to someone who is unemployed at this time — I am told that we will have a shortage of trained young people in many many areas of the economy, that the supply at that time will not meet the demand, due chiefly to the fact that the number of young people in our society are diminishing year by year, the number of graduates from our high schools, and this will be reflected in the number of graduates from our universities and community colleges.

As far as hope and solution, Mr. Chairman, there is no easy solution. The only hope for the country, I would suggest, is that the economy starts to pick up and that we start attracting more industry and

more business to this country because those are the areas where the hopes for employment lie, not in government, Mr. Chairman.

If the Member for Burrows is inferring that government will solve the problem with make-work programs and so on, I would suggest that that has been tried and it has been found wanting. It is not what young people want either; they consider those phoney and they will tell you that whenever you ask.

So my answer to the Member for Burrows would be very simply; the solution lies in an improved economy.

MR. CHAIRMAN: The Honourable Member for Brandon East.

MR. EVANS: Mr. Chairman, I guess everybody in this House can agree that the solution lies in an improved economy. I was very interested in his remarks where he in effect ticked off the role of government in this whole area of creating opportunities for manpower, creating opportunities particularly for our young people. I am afraid that whether he likes it or not, the facts are — from past experience — that the only way we come out of a business depression, a recession, is through government initiation and action. I am not talking simply about make-work programs or short-term programs but I am talking about measures such as massive public works projects.

Incidentally, even though the members opposite won't agree with this, that suggestion to use public works on a massive scale isn't necessarily a left-wing suggestion. It has been made by many very eminently respectable establishment-type economists and it is not necessarily a solution that is looked and found on the left wing of the political spectrum. I would, however, note that his government and indeed in his department and I suppose when we get to the item, he will be telling us that he is actually himself engaged in make-work programs; you know, to some degree, you have recognized that it is necessary — y u may not like it — who wants make-work programs as such, but you recognize that there has to be something done. You know, you can't have 15,000, 16,000, 17,000 young people, people under 25, and then all of a sudden on top of that goodness knows how many coming out of the universities and schools for the summer with absolutely nothing for them to do with unemployment rates reaching 14-15 percent.

I would say, Mr. Chairman, however, I wouldn't deprecate the so-called make-work programs because if the Minister would take time to look at the various programs, that were very good programs, that were put in place through the job creation thrust of the previous government and maybe in the future from this government, when it gets over this, because it is entering gradually into this program. We had jobs in small business program as well.

MR. JORGENSON: Again I rise on a point of order. My honourable friends argued a moment ago that they had the right to discuss the question of immigration on this particular item and I think, Mr. Chairman, that you agreed that fine they could do that on this particular item, but that is as far as it would go. Now, my honourable friends is talking about public works, make-works project, education, almost everything under the sun. I wish my honourable friend would stay to the topic that is under discussion, and when he reaches other items then he can discuss those things that he wishes to discuss to his heart's content, but we, I think, made an agreement, or reached an agreement here that we would be discussing the questions of immigration under this particular item, and I haven't heard my honourable friend mention that subject once in the last time that he's been up on his feet.

MR. EVANS: Mr. Chairman, my remarks, I don't know whether the Honourable, the Government House Leader was listening . . .

MR. CHAIRMAN: Order please.

MR. CHAIRMAN: I have been paying close attention and I have been listening for the word "immigration" and any reference to immigration and I have also not heard it. We've made special remarks about special programs, youth services, student aid, or some reference, and I would hope that the honourable member would just kind of bide his time until we get to these. The Honourable Member for Lac du Bonnet.

MR. EVANS: Mr. Chairman, first of all, the Honourable Minister of Education made reference to the economy. We're talking about divisional administration and support which includes manpower, forecasting, manpower needs, and we're right on that subject. I'm not talking about a particular youth program or any particular program that is itemized here. I want to get into the subject of planning for manpower needs and that is under this particular item, and as a matter of fact, I would ask the Minister if he could tell us whether the manpower division, the forecasting section, the forecasting of jobs for the future for our people, whether it's under that item or not, whether it's in divisional administration and support or not, because I believe it is and that is where we discuss it.

MR. CHARIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, the . . .

MR. CHAIRMAN: Order please. The Honourable Member for Ste. Rose, on a point of order.

MR. ADAM: It's just to have the record, Hansard, in a correct form. You referred to the Member for Brandon East, you recognized him as the Member for Lac du Bonnet, and I think that should be corrected.

MR. CHAIRMAN : For the records, I recognize the Member for Brandon East, not the Member for Lac du Bonnet. The Honourable Minister.

MR. COSENS: Mr. Chairman, the Member for Brandon East is quite correct when a he is speaking of projections,nd manpower, they do fall under 7.(a) but I think he should also admit that when he is speaking of youth employment programs and particularly summer employment programs, that we will examine those under youth services 7.(c) and in particular, Section 3.

MR. CHAIRMAN: For the Honourable Members, I think this is exactly what I said. I wasn't condemning the Honourable Member for Brandon East for discussing it under 7.(b), I just suggested that some of the discussion should be referred to other clauses that we have under clause 7. The Honourable Member for Brandon East.

MR. EVANS: As the Minister has inidicated, Mr. Chairman, the Manpower assessment people of the Manpower Division are in this section 7.(a) and it is one of the major objectives of the Manpower Assessment Branch to assess the labour market, and changes in the labour market. I happen to refer to make-work projects, simply because the Minister made reference to it, and he started talking about the need to stimulate the economy and how we might stimulate it and I think in my reference to a youth program for the summer, it was in that context. I appreciate we will discuss that in some detail subsequently, but in the generality, what I would suggest to my honourable friend, the Minister of Education, when he discusses, as he did a few minutes ago the need to stimulate the economy to provide the jobs for our manpower supply that, you know, we've got to go beyond make-work projects and so on, and I would agree with him. What I'm suggesting though is that I wouldn't dismiss these short-term job creation projects so summarily because many many good works were accomplished under that particular thrust, but goodness knows much more has to be done.

The Minister talked about stimulating the economy. I would love to see the private sector . . . I would love to see some more private investment. I spent eight and a half years as Minister of Industry, or eight years, and we did our very best to try to — well, you know, the Member for Pembina, who is a greenhorn here, is talking from the seat of his pants, and I wish that he'd get into the debate because we would like to hear what he has to say, but I can tell him that we did our very best to do whatever we could to attract industry in this province through the Department of Industry and Commerce, but as much as we would like to see more private investment, Mr. Chairman, I cannot see how we are going to possibly provide enough jobs for the young people and the not so young people, the manpower supply if you will, the manpower supply that is studied by the Manpower Assessment Branch, or Section, whatever it may be called in this planning and development group. I don't see how these jobs are going to be forthcoming through private investmment because we are in an economic recession at the moment, but not only that, we have some long-run, unfortunately some very fundamental inhibitions, or fundamental obstacles to the creation of jobs in this province, and it's no accident that Alberta is growing rapidly; it's no accident that you see areas such as Toronto, which is in the centre of the population of this country, it's no accident that you see rapid growth there.

So, I would say that this province has a lot of obstacles. Mr. Chairman, the Honourable Mighty Member, Mighty Minister without Portfolio, the Honourable Government House Leader, is always lecturing us as to decorum in this House and right now he is in the process of spoiling that decorum by talking from his seat and making . . .

A MEMBER: At least he listens . . .

MR. EVANS: At least he listens; I'll give him marks for listening. At any rate, the —(Interjection)— the Member for Pembina does not listen. I would suggest that he listens to everybody. He should listen to everybody on both sides of the House. I'm afraid that we are suffering in the long-term structural sense in this province, but we are also suffering right now from a cyclical downturn, and I suggest that one way to get out of it is through massive public works, including acceleration of housing, acceleration of other needed provincial and municipal works. That is just one suggestion. There are other suggestions that I have such as a different fiscal policy than is being pursued here. But in regard to this problem of providing jobs for a people, I think it is very very important for us to know, and perhaps the Minister can enlighten us, for members of the House to know, just what is the outlook for manpower in this province. It is this group that has the analysts, and they've put out a book called, "Manpower and Employment Outlook for Manitoba." This is an old document, this is two and a half years old, but I'm sure that they continue to do it and they try to look two, three years ahead. So, I'm wondering if the Minister now can enlighten us on what the manpower and employment outlook is for Manitoba. He has capable staff who attempt to do a little bit of crystal ball gazing, taking various factors into account, and they come up with some sort of assessment as to the future manpower and employment requirements. They come up with assessment of demographic changes and they generally try to analyze the labour market as such in the province. So, I would like to know from the Minister, whether he can tell us what the outlook is for the balance of this year and possibly

can he give us some insight as to what his staff has forecast for the next year, namely the year 1979?

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, on the basis of the research and study that was done prior to the fulfilling of the agreement with Ottawa on the training agreement, it was found that there would appear to be some upturn and some improvement in the year ahead and in subsequent years on the basis of the particular studies that they did, both from the provincial point of view and from the federal point of view. Not a dramatic one, but some slight improvement. And of course, Mr. Chairman, even a slight improvement is something that we welcome at this point. If it indicates an upturn in the future, that's something that gives us some hope. Certainly a downturn would be something that would be further depressing. But their findings at this time are that there will be some slight increase in job opportunities and some improvement in that particular situation.

MR. CHAIRMAN: 2.—pass — the Honourable Member for Brandon East.

MR. EVANS: Well, could the Minister indicate that in terms of unemployment rates. Is he telling us that the unemployment rate is going to be lower in the months ahead, say, in the latter part of this year, and maybe early next year? I'm talking in terms of seasonalized figures, because I think it's easier to compare it when you adjust it, seasonally adjust the data. In terms of seasonally adjusted data, is he telling us that the unemployment rate is going to decline? I will just leave that with him.

MR. COSENS: On the basis of the studies that were done, Mr. Chairman, that indication was there.

MR. CHAIRMAN: The Honourable Member for Brandon East.

MR. EVANS: What is the basis of that assessment? I'm sure the forecast would be for an expansion of the labour force. Is it based on a lowered participation rate, or does it relate to any particular factor that they think . . . ? What are the factors that are going to cause this improvement in the outlook for our labour force, the improvement for job opportunities? There must be some basis for that assessment.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Well, Mr. Chairman, I don't have the studies in front of me, nor the factor analysis that the Member for Brandon East refers to. I can get him those particular figures and the particular analysis, if that is the type of information that he is referring to. Statistics Canada of course is one area that could be referred to. They see some improvement in the economy and as a result, some improvement in the unemployment situation.

MR. EVANS: Well, I would appreciate receiving that information, if the Honourable Minister would make it available to me or to the members of the House, that would be welcomed. I wonder if this particular branch has done as it usually does, analyzed the labour force flows, broken down by occupational groups and if they see . . . I gather that you don't have any report in front of you but your staff may be able to indicate to you, you know, just what occupational groups do they see more opportunities occurring. Will it be heavy duty equipment mechanics? Would it be nurses? Will it be hairdressers, just what kind of occupational skills will be in greater demand with this sort of general improvement in the situation that the Minister refers to?

MR. COSENS: Mr. Chairman, once again that particular statistical information is available and I can make it available to the Member for Brandon East. I don't have it with me as he may well appreciate nor do I intend to try to give it to him off the top of my head, but I certainly will endeavour to get the information and pass it on to him.

MR. CHAIRMAN: 2.—pass — the Honourable Member for Brandon East.

MR. EVANS: Well, as the Minister may know or as he may be advised by staff, we do have within Manitoba variations in the rate of unemployment, not only by sex and by age group, but also by geography. I was referring earlier to a very high rate of unemployment. I'm looking at the Statistics Canada Labor Force Survey, I think this is the latest one for March 1978, or if it isn't the latest it's the second latest, but you can see where there's quite a variation in the rate of unemployment depending on the age group.

But, in addition, there is a breakdown of unemployment in Manitoba by geographic area, and I was wondering if the Minister has any comments to make on job opportunities in two areas in particular? One being in northern Manitoba where we have a situation I don't believe is adequately recorded in the official statistics put out by Statistics Canada, where we have an intolerably high level of unemployment, a chronic unemployment situation, and I'm referring to not just to Thompson, but I'm referring to such places. But, the various smaller communities in the north where there simply is no employment opportunities at all. And this of course, is a very difficult problem and it's a problem we try to grapple with in various ways, through the Communities Economic Development Fund, through activities of the Department of Northern Affairs, and many other departments. We had

special concern with trying to create jobs, The Job Creation Program itself, we had a special northern employment program trying to provide some useful economic activity even though it be short run for those people. What is the situation there, do you see any solution for this? Do you see any change? Maybe you haven't got all the answers, or all the solutions, but do you see any change in that area?

The other area may be less difficult, but nevertheless it's very real and it is a very big problem, is the difficulty of unemployment in the inner core of Winnipeg, a very high degree of unemployment amongst some disadvantaged people. And, again in your Labor Market Analysis by this branch, I'm wondering if the Minister can advise whether there is anything afoot in terms of recommendations for new training opportunities for these people, or. . . I suggest that it may be more a matter of training.

I can never forget the time of the Second World War, Mr. Chairman, when I was a very young lad, too young to go to war but old enough to know that there was a war on and no one worried too much as to whether you had Grade 10, 11, 12, or whether you had this certificate or that certificate, or just what degree of training you had. In other words, during the Second World War there was an unlimited demand (Interjection) — Well, they'd have had to wait a few years, but an unlimited demand for labor regardless of training, you know, if you could breath and move even one hand, or one arm, one leg, you know, you had a job. And, I submit that our difficulty, not only in the regions and in the areas of this province but in the province generally, is lack of demand for labor because of the slow growth of the economy. But, I wonder if the Minister can advise us whether there's any special assessments, any assessments on those particular areas, and whether there's any solutions in the works in that respect?

MR. COSENS: Mr. Chairman, I would address myself to the question of the Member for Brandon East regarding the unemployment problems in the north, and I think he specifically refers to the unemployment problems of the native people of this province in the north. I would suggest to him that I have no fast and easy solutions, and I would suggest to him and, of course, he implied that I should have, and I would suggest to him that governments have not been very ready in coming forth with any long-term or short-term solutions to that particular situation. And, I agree that it is a serious situation, and a cronic situation and a deplorable situation. The frustrating point about that situation, Mr. Chairman, would seem to be that the more governments try to solve it the less successful they are in finding a solution. And, in fact, the greater effort they make the greater the problem seems to become, and all I can say to the Member for Brandon East, that I think any government finds this problem weighing heavily on their shoulders. Every government has tried to work towards some solution, and I can assure him that our government will be doing the same thing.

MR. CHAIAN: The Honourable Member for The Pas.

MR. RON McBRYDE: Mr. Chairman, I think the Minister just explained the strategy. I wonder if you'd clarify that. He said it seems the more governments do in relation to assisting employment creation with native people, the less seems to happen. I wonder if that would explain this government's policy of doing less and less until in fact, they're doing nothing.

MR. CHAIRMAN: The Honourable Minister.

MR. COSENS: Mr. Chairman, to the Member for The Pas. I was merely making a broad comment on some of the efforts that have been made by governments in the past which I would suggest have not been a solution. Perhaps not even a partial solution, in fact, perhaps merely have increased the problem and instead of helping people to become more viable and useful citizens have helped them to become more helpless. And, it bothers me as much as I'm sure it bothers the Member for The Pas, that when you talk to people in one of the communities, perhaps in his riding, and say what is the main industry here, and their answer is unemployment. And, I deplore that situation as much as he does, but I hope that he does not have the gall to suggest that after eight years with the opportunity to do something about it, that he now suggest that we can solve it in six short months. Let's see what we do with it in eight years.

MR. McBRYDE: Mr. Chairman, I was not suggesting that this government might solve it in six short months. As a matter of fact, Mr. Chairman, I don't expect that they will solve anything in eight or twenty years the direction they've been moving in the six months that they've had an opportunity to get something done. And, I think if the Minister of Education was serious in his concern, and had any understanding of the situation at all' he'd be getting after his colleague the Minister of Northern Affairs, who's sending things in a backward direction in northern Manitoba.

MR. CHAIRMAN: The Member for Ste. Rose.

MR. ADAM: Yes, I just have one question to ask the Minister in his reference to the agreement between the Federal Government, the province, the employers and the Farm Workers Association. Could he advise who is the Farm Workers Association? Is this the group that was assisted to get organized a year or so ago by the Department of Agriculture under the previous administration, and is this the vehicle, this association that he would contact to find out whether there are workers

available rather than have people immigrate?

MR. COSENS: Mr. Chairman, I'm sure this is one of the groups that would be contacted, yes.

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

MR. ADAM: Yes, is this a group that communicates with the reserves? The Farm Workers Association, do you know the president's name? Is it Isaac Beaulieu, or who is the president of that association?

MR. COSENS: M. Chairman, I am not acquainted with the president of that particular organization. The negotiation of the situation that the Member for Ste. Rose refers to was conducted through the four departments that I mentioned, Agriculture, the Canada Manpower and Immigration and so on, and as a result I have not had that personal contact.

MR. CHAIRMAN: The Honourable Member for Brandon East.

MR. EVANS: Well, getting back to the matter of the functions of the Assessment Branch and the needs for various occupational skills, can the Minister comment on the needs for various construction workers, the various trades that are involved in construction, whether they be mechanics or operators or whatever they may be? To some degree, I guess, there is training going on in the community colleges for people who eventually get into construction and I'm wondering whether that, whether the assessment is such because we're told, not only by government sources, statistics, and so on, but we're also told by the construction industry themselves — I believe Mr. Greasley, the Industry Association — telling us that construction is at a very low ebb, and probably hasn't been as bad as it is now for many a decade, and also the fear that is being expressed now by the City of Winnipeg about the loss of skilled architects, and so on. So, I'd like to know whether there is any assessment, what is going to happen in this area? The assessment must be for a very low, if any, requirement for new people to go into the construction industry because there's simply nothing on the horizon. If you talk to any architect, the architects can tell you what's going to happen some months, some years down the line because they have to do a lot of planning. — (Interjection) — Well, Mr. Chairman, I'd be glad to listen to the Member for Minnedosa if he wishes to participate. — (Interjection) — So, I think I must be getting close to the bone here. You know the truth hurts.

The truth is, Mr. Chairman, there are not any opportunities for people in the construction industry in Manitoba today because nothing's happening. I asked an architect yesterday, "How's business, is it slow? I've been reading reports in the paper where things aren't so good in Manitoba." He says, "It's not slow, it's dead, dead." So, I ask the Minister, through the Chairman, whether he can provide us with an assessment of occupational skills required for the construction industry. Are they cutting off all training of such types in the colleges and not recommending any such spaces to the federal government?

MR. COSENS: Well, Mr. Chairman, I'm not as pessimistic as the Member for Brandon East, of course, and training is not something that reflects a situation in a particular two or three month period. But when people start to apprentice in a particular building trade, this is not something that takes place in one year, but covers a number of years. And of course the number of people that we have apprenticing, and so on, is considerable and the interest is considerable. And I am sure that we will continue to have many young people entering into the different trades that we may consider as making up the construction industry.

I believe they have some faith in the future, and faith in the province, and feel that as they continue in their training by the time that they reach that completion of that particular training that jobs will be there and the opportunities will be there. So, from a training point of view, certainly the apprenticeship of many people in these trades is going on and being entered by many young people today.

MR. CHAIRMAN: The Honourable Member for Brandon East.

MR. EVANS: I did forget, of course, Mr. Chairman, that people are trained in the province in our community colleges, with the assistance of the Federal Government. That takes a national and more of a federal perspective. Then, of course, even though they have been trained here, there is no need for them to have to stay in Manitoba. As a matter of fact, I submit that a great number of them are going to be leaving Manitoba, as they are leaving Manitoba now, to find work elsewhere, because they just don't find it here. It's amazing how week after week you run into people — families, fathers, mothers and young people themselves — who are saying how they are leaving Manitoba because there is just no work in Manitoba — no work in Manitoba. So I guess they could be trained and, hopefully, if they can't find a job here, they will go elsewhere — east or west, or wherever.

But surely, you know, for a government that professes such great interest in prudent spending, efficiency, cutting programs and so on, and reducing expenditures, surely you would not be recommending expenditure of moneys to expand or even to hold at the present level the number of spaces for occupational categories that fit into the construction industry. Surely your analysis would

tell you and your reasoning would tell you, because construction is down and may be down for a long time. You know, I am a born optimist but I am not optimistic about us coming out of the current economic recession we are in for some time.

But I say this: That prudence would then dictate that you would want to put . . . Some of these people aren't in there for a year or two years; some of them are in there for a much shorter period of time. So I would suggest prudence, Conservative prudence would dictate that you would want to reduce the number of dollars being channeled into spaces in the community colleges for those occupational skills that relate to the construction industry.

Well, I am asking the Minister, then, is the number of spaces being reduced, being held constant, or are you expanding?

MR. COSENS: Mr. Chairman, as I say, I am a little more optimistic than the Member for Brandon East and I would suggest that I am optimistic on the basis of the studies that have been done by the Manpower Needs Committee in liaison with Ottawa, who also, I would suggest, are somewhat optimistic about an upturn. And I mentioned before, not a dramatic one but a gradual one. And on the basis of that you don't turn off training that, in fact, may take people, if it's an apprenticeship, some four or five years to complete. Or we run into the situation that the Honourable Member for Lac du Bonnet was suggesting where we have a requirement for skilled people in the province and we can't deliver that type of person and then we look at immigration, which is not the solution as I'm sure the Member for Brandon East would suggest.

So the training has to look beyond a particular season, beyond a particular summer, beyond six months; it has to look a year ahead at least. And when we look a year ahead, Mr. Chairman, we are somewhat more optimistic than the Member for Brandon East.

MR. EVANS: Well, I am very happy to hear that the Minister of Education is more optimistic than I am. That's fine; that's fine. —(Interjection)— Well, you know, Mr. Chairman, I would urge all members who are now speaking from their seats, including the Member for Pembina . . . I'm sure his constituents would like to hear his remarks in Hansard. They can't hear them if he is speaking from his seat, and I would be delighted if he wants to participate in the review of the Estimates. But I find that it's very distracting to hear him make nonsensical remarks. In fact, you know, if anything is going to slow down the review of Estimates in this House, it is receiving insulting remarks from members opposite. I'm not suggesting all the remarks are insulting, but there are some very insulting remarks. If you want to insult people who are doing the job that they were elected to do by the taxpayers — to review the Estimates — the Government House Leader has told me, I listened to him for eight and a half years — as to the need for the opposition to scrutinize Estimates. That's why we removed the time limit a couple of years back, so there would be no hold-up, no time constraints, virtually, realistically speaking, in the review of Estimates. And I say if you want to slow us down, just carry on and make your insinuations or throw your barbs, throw your insults, and we will stay here that many more days, weeks or months. —(Interjection)—

Well, Mr. Chairman, I don't necessarily disagree with but I would say that we have developed, over the last few years, a very liberal, probably the most liberal — if I can use that term, small "l" liberal — most generous, most flexible, most generous Estimates review process that you find in any province, or perhaps even the Government of Canada. I'm not familiar with the Government of Canada. So that I think, therefore, that people in Manitoba are fortunate that we needn't . . .

I asked the Minister a specific question, and I got a general answer. The specific question is: Are there more spaces allocated in this forthcoming year, or this fiscal year, I guess, are there more spaces allocated in the community colleges of Manitoba, based on the research work of this particular Manpower Assessment Branch. — because I believe this is the branch that does the calculation and makes recommendations in this respect — are there more spaces being allocated this year for skills and occupational trades related to construction than last year or is it higher, or lower, or is it the same? That's my specific question.

MR. COSENS: Mr. Chairman, in reply to that question from the Member for Brandon East, last year the federally purchased training days were some 926,000. I'm speaking of training days, at this point. In 1978-79, under the new agreement we anticipate close to one million training days. So that does represent an increase, Mr. Chairman, from 926,000 to close to one million in training days.

Well, the breakdown, Mr. Chairman, of those training days is something that I don't have before me, at this time. That covers the whole gamut of training in our community colleges and in industry. So some of that would not be in the category of what the Honourable Member for Brandon East describes as construction trades. I would have to, again, get that particular figure for him.

MR. EVANS: If there is information on it, I would be glad to get it. There is no urgency, but I would find it strange to increase the training days for construction-related trades unless, of course, you recognize — as I guess we must recognize on both sides of the House — that this is a free country and once a young man or woman, or old man or old woman, receives a particular training, they are free to go where they see fit to seek out whatever opportunity exists for them.

In contrast, we often find that in the smaller towns and smaller communities of Manitoba — I don't talk about those that are within a 25, 35 or even 40, or maybe even a 50-mile radius of Winnipeg — but I would suggest beyond 50, you know, you get away from the immediate Winnipeg market area, including labour market area, and you run into problems of adequacy of trained personnel in some

communities. I recall, for example, many communities in rural Manitoba were short of television repair, television service personnel. And again, I'm not talking about those that are proximate to Winnipeg. Go to Westman, go to the Parklands region, you know, get away beyond 50, 60 miles from the City of Winnipeg and you find many communities where there were shortages of various trades, for whatever reasons. There may be some very fundamental economic reason and that is that they feel that they can't make an adequate living there, or they can make a better living in a bigger centre. That is a problem. And this is something we grappled with for years in the Department of Industry and Commerce. Goodness knows, if we spent any time on any one subject, it was how do you provide jobs? How do you, as our part of the stay option policy thrust, how do we try to provide people with various skills, in these towns? We were working with other departments, including this department — these people — and it was a real challenge.

At any rate, my question is: Is there any assessment or analysis of the demand and supply for various trades and occupational skills, mechanical skills, the various — well, I guess we can take the whole gamut; we don't have to relate it to sort of electrical and mechanical and construction — the whole gamut of skills that are taught in the community colleges. Is there any assessment of the demand and supply situation in, say, towns in Manitoba of 500 or more people, or maybe 1,000 or more people? If so, you know, is there a different situation within that context than there is in the totality?

MR. COSENS: Mr. Chairman, I am not aware of a study that reveals the situation in towns of that particular size but I would probably agree with the Member for Brandon East that the situation that he describes does hold true, particularly in some of the smaller communities of some 500 population or less for the very reasons that he suggests and for the very reasons, I suppose, that apply as far as professionals are concerned, when we speak of dentists and doctors, and so on. We have that problem of attracting the trained person, whether it's the highly trained professional or the highly trained technician, to that particular type of situation. I suppose it's basically, as the Member for Brandon East suggests, an economic reality, that with their training they feel that they can make more money in larger centres and hence are attracted to that particular situation.

I agree with him it is a great problem, and it's one that I don't think has short-term solutions either.

MR. EVANS: Just one final question maybe, because I guess members want to get on to other items. This is my last question on this subject, in this area. The Honourable Minister did indicate that he would provide some data on supply and demand. By way of clarification, is he going to make available this Manpower e Employment outlook for the province for the next couple of years? Is this the document he is going to make available to us? It is, okay, thank you; I will look forward to receiving that in the next few days.

MR. CHAIRMAN: (2)—pass; (a)—pass; (b)(1) Salaries—pass; (2)—pass — the Honourable Member for Burrows.

MR. HANUSCHAK: Yes, Mr. Chairman, I believe that, or at least I would hope that it is the objective of this government in the operation of their Student Aid Program to equalize the accessibility to post-secondary institutions to all, regardless of ability to pay. If that is so, then I would think that it would be reflected in the makeup of a student population as they relate to the various income levels.

Firstly, I would be the first to admit that . . . Well, I would want to indicate that that was our objective and I'd be the first to admit that we did not manage to resolve that problem completely.

We have worked toward that end and we would want to continue working toward that end. I would like to know the Minister's views on this. I would like to know what plans he has in terms of guidelines for the Student Aid Program, that he would hope would provide greater accessibility to post-secondary education to all, regardless of ability to pay.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, I would also like to just pose a simple question to the Minister. By computing the increased costs the students will be facing the next school year, averaging out probably anywhere from 10 to 15 percent — if you add up tuition, housing, books, transportation and other essentials — say it's around a 15 percent increase; does he expect that the present arrangements — combination of bursary and loan systems — would be sufficient to cover those additional 15 percent costs adequately so that no student will be prevented or prohibited from continuing his or her studies as a result of those increased costs?

MR. COSENS: Mr. Chairman, first of all to the Member for Burrows. I think one indication that becomes very obvious is the fact that we have raised the bursary from \$1,400 to some \$1,800, I think a rather dramatic increase, Mr. Chairman. And of course it will also help the people who have the greatest need. I really think that is where our greatest concern is, for those who have the greatest particular requirement to enable them to stay at university.

I can also assure the Member for Fort Rouge that the people in Student Aid who work with this particular area and who have, through past experience, and through their experience in talking to people from other provinces and, in fact, the Canada Student Loan people in Ottawa, they have assured me that we have adequate resources to cover the particular types of increases that he refers

to.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Well, Mr. Chairman —(Interjection)— That's right. It's interesting that the budget for the Student Aid Program is identically the same as it was last year. I think that there is, in fact, a \$2,000 decrease in the overall budget and there is only some \$14,000 additional in the form of Assistance that's being provided.

Now, if you compute that there is to be the same number or perhaps an additional number of students attending university, that the cost index for those students will be rising at a substantial rate due to the increase in costs of tuition, housing, transportation, other incidentals, it strikes me as a certain piece of black magic that somehow we can — with the same amount of money as we had last year — do more things next year, unless the Minister has found some way of growing dollars on trees or of setting up a printing press in the office.

In other words —(Interjection)— Yes, and perhaps we are back to biblical injunctions where we're going to multiply, sort of, like the fishes and the loaves. It seems to me that unless he can demonstrate either that there will be some different formula applied, when applied, when the same amount of money from one year to the next stays the same, something's got to give, particularly when the costs are rising at an add assurance on that matter.

MR. COSENS: There are several factors, Mr. Chairman, I think that enter into the answer the the Honourable Member for Fort Rouge.

First of all we are not looking at increased enrolments in our educational institutions. Perhaps a slight decline in enrolment. On top of that, in the last two or three years, the experience has been some decline in the number of people applying for financial assistance. Although we do not anticipate a decline this year, we have allowed for at least the same level of application from students throughout the province.

The other factor I think that helps answer the question of the Member for Fort Rouge and perhaps takes away any of the magic that he refers to, is the difference in the bursary loan mix, where we have increased the amount of the loan requirement before the bursary portion is paid. This accounts for a considerable difference in the amount of money that will be required through the bursary portion of the program.

He realizes of course that this particular sum here does not relate to or show the total portion of the student loan part of the financing.

MR. AXWORTHY: Mr. Chairman, I thank the Minister for the explanation. I think it deserves some comment because there is some degree of chicanery going on — and that may be too strong a word because I wouldn't say that it was motivated — but I would say, first, going in reverse order of demonstration, that by putting the heavier emphasis on the loan — in other words — weighting the loan requirement heavier than the bursary, there are two, I think, indiscretions on the part of the government.

One, is that you are further committing the students themselves to additional responsibilities or obligations beyond school. —(Interjection)— Well, certainly in some cases it is because if you are looking at four, five or six year programs, many students are graduating with almost unacceptable loan requirements to the point that their job choices and their career choices can be hindered or deterred by that obligation that they're carrying.

Secondly, and this is one that I think has a broader application that once again we're in a position where the provincial government is transferring its obligations to somebody else — in this case those nasty old guys that the First Minister is always labouring us about, those federal people who are spending too much money — one reason, I suppose, they're having to spend too much money is because the Province of Manitoba keeps shifting the burden over to them by asking them to pick up the bill, and that's one of the reasons. Here is a clear example, once again, of how it's taking place. Like you shift to the municipalities on one side, the federal government on the other side in order to kind of keep your skirts clean.

I think, Mr. Chairman, that that is perhaps not being honest. I think that the Canadian Student Loan commitment last year — which I believe was in the order of \$50 or \$60 million, if I'm not mistaken; it's certainly a substantial amount — is one of the areas which has a very fast growing component to it and one of the reasons is, of course, that the provincial governments have been increasingly withdrawing — at least some provincial governments — have been shrinking their proportion of the overall Assistance Program to put a heavier burden on the loan. I, again, would use by some way of comparison the Province of Ontario, which has also been going through its own so-called austerity program, which is moving much towards a Grant Program as opposed to a Loan Program. I think that the validity and reliability of that particular approach should be examined rather than the direction that we're going in opposite.

So that would be one concern I would express, Mr. Chairman, is that the increasingly, by changing the formula and continually loading up the loan end of the Assistance Program, that we are simply evading, increasingly, the degree of commitment on the part of the provincial government for support.

Now, secondly, there is some interesting playing with numbers on this question, that the same amount of money is expected to do the same job, dependent on two factors, according to the

Minister. One is that the enrolments will decline. That may be a possibility considering the new stringencies that students are put under.

But, secondly, it's been based on, I suppose, past experience that fewer people are applying for loans. I would suggest, Mr. Chairman, that the contrary will happen this coming year. That because of the additional costs that will have to be borne — that 10 to 15 percent index — that there will be substantially more people and that they'll have to apply for larger loan amounts and bursary amounts simply because their costs are going to be that proportionately greater.

So I would expect, Mr. Chairman, that rather than the sum that has been allocated, that there will be a heavier demand for assistance simply because the cost burdens will be that much heavier. Even if the enrolment declines, I would suggest that more students will have to apply for some form of assistance. And, secondly, that the depths of those loans or the depths of that assistance will be much deeper than they have been in the past, simply because of the conditions that they are now facing.

So I would simply say, Mr. Chairman, that the figures put forward in this Estimate is unrealistic. I would expect that if the Minister has any intention of living up to a commitment to ensuring — as he stated at the beginning — that there would be no prohibition or deterrent to a student attending, then he will be back at some point in time for some supplementary estimates. I don't say that gladly because I would have much preferred to have tackled the problem in other ways.

I think there are other ways of taking the burden off strict cash transfers. Certainly for many students, the major cost factor for them is in the housing area and because there has been absolutely no student housing supplied in this province now since 1971, I think was the last time, and that because we are also not making any efforts at any level of government — including federal, provincial and municipal governments — to meet the student housing needs — the kind of housing that they require — that they are continually forced into the market situation where the rents they have to pay are really becoming very burdensome.

So I would suggest, Mr. Chairman, that if the Minister is trying to find ways of maintaining some restraint on his Assistance Program, then he should be very busily lobbying some of his colleagues, particularly those in the housing field and others, to try to reduce the costs that are being borne through no control of students themselves.

But I would only want to say, that in this relation with the Student Aid Program, that I think, Mr. Chairman, that the figures that we've got aligned here, are neither realistic nor sufficient to do the job and I would hope that the one thing the Minister will maintain, is his commitment to supply all needs and not reach a stage where we hear you know, down the track next October or November or whatever it is, that there isn't enough money to satisfy it and that we start cutting back on the number of students or raising the criteria so that people are being eliminated by bookkeeping measures and by lack of resources.

MR. COSENS: Well, Mr. Chairman, let me allay the fears of the Member for Fort Rouge. For several reasons — and I do not quarrel with his ability to look into the future and his knowledge in this particular area — but I do think that the people who work in this area and who consult with the other provinces in this particular area and with Canada, do have the ability to come up reasonably close with figures that will meet the particular need.

I know that they have built in the increased costs for tuition, books, residence fees, etc., in these figures. I should also mention to the Member for Fort Rouge, that last year the figure reads \$4,310,400. The actual amount expended was \$4,091,700, some \$220,000, roughly, less was expended than budgeted.

So in comparing the figures — when he says, "Well, you're only a little bit more than last year," I think the figures that we have here shows some \$14,000 more, in fact it's much more than that, it's more like \$230,000 more — and of course there is one component that isn't in there that was there last year and that was the Dental Nurses that were also there last year in this particular bursary area.

MR. CHAIRMAN: The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Chairman, is the deferred bursary portion, which eventually becomes chargeable to the province, is that included in here? I would believe, Mr. Chairman, that — to the best of my recollection — that amount will be increasing over a period of about three or four years, from year to year, until it levels off. So, therefore, if whatever the portion for deferred bursary is taken into account — which likely will be twice that to what it was last year — and deducted from the \$4.3 million, then the level of student aid, will in fact, be considerably less than last year.

MR. COSENS: Mr. Chairman, I would have to check those particular figures out. I think the Member for Burrows is perhaps a little liberal with his estimate, and that will make his seat-mate rather pleased that he's becoming that way. But I should point out to him that he is quite correct that the deferred bursary program does have the effect that in four or five years after its inception that it will level off and there will be no advantage to the provincial government. I understand that this program has been in effect now for some two years, and was a certain strategy on the part of the government of the day, — this will make the Member for Fort Rouge very pleased — to use federal funds rather than provincial funds and it's a program that we find ourselves locked into. As I say, some three years

down the road, it will level off. There will be no advantage at all to the province. The Member for Burrows states that the figure has doubled in 1977/78, the deferred bursary amounted to \$1 million. He's quite right, it has doubled. He is very good with his figures, in this area, it is \$2.3 million estimated for 1978/79 and that figure is included here as it is every year.

MR. HANUSCHAK: So then, Mr. Chairman, I am correct that the net amount remaining for student aid is considerably less than what was available last year. By less, by approximately \$1.3 million.

MR. CHAIAN: (b)(1)—pass — the Honourable Member for Fort Rouge.

MR. AXWORTHY: Well, Mr. Chairman, was the Minister going to respond to that particular inquiry, or would he like to. . . I'll defer to the Minister in that case.

MR. COSENS: Mr. Chairman, is yes.

MR. CHAIRMAN: (b)(1)—pass — the Honourable Member for Fort Rouge.

MR. AXWORTHY: Well, Mr. Chairman, I think the Minister's statement or the last answer, indicates I think, what I was saying to begin with. That there is going to be substantially less available for the program, and I think, Mr. Chairman, that that should be the cause of some real concern to this committee. Because, we are really then dealing with two very contradictory forces. One is increased costs that students will have to carry, and a substantial reduction in the amount of assistance available to those students at a time when they're going to be putting a heavier demand for requirements. Now, I don't think we should let this particular point pass until it's very clearly resolved, what exactly is going to be the amount of money available to students next year. Because I think that the worry I would have and I'm not suggesting that it would happen, but one of the ways you could deal with that short-fall would be through administrative fiat. You know, you would just start loosing applications or just not processing applications sufficiently, so that, in fact, students would then find themselves on the machine, you know, rolling around the machine and never getting their assistance coming out the end which, you know, it's a difficult enough procedure to handle anyway. And I can say — I'm glad the Member for The Pas reminds me — as a member of the opposition in their time, I had to fight enough cases of that kind as well, but that was one of the ways of dealing with it. You just sort of have a big carton full of applications somewhere that the Minister for Education used to take home with him every night sort of and hide under his bed, so the opposition wouldn't find him. I wouldn't want the new Minister to sleep in a lumpy bed, using the same technique so I would really think that the Minister should be very careful on this item to demonstrate exactly how much in terms of dollar amounts will be available and to indicate exactly what the criteria will then be in terms of the bursary portion of it so we will know exactly what kind of austerity or restraint we are going to be facing in the forthcoming year, and how many students will be affected and in what way.

MR. COSENS: Well, Mr. Chairman, first of all let me assure the Member for Fort Rouge that no one who applies, and who qualifies will be in the position of not receiving that assistance. This program is open-ended, and I suppose if a special warrent were needed that would be forthcoming. There's no case, as he implies, and I would hope and I'm assured that it hasn't happened in the past, and I can assure him it won't happen in the future, where a student in that particular category, who qualifies through need, will not receive the assistance. Whether, as he claims, there is not enough money here, I suggest there is and, of course, as he points out, and he points out quite correctly, if you take off that \$1.3 million difference in deferred bursary this year, this sum is actually less in the bursary. And, although this is not going to make his federal friends happy, or his federal sentiments happy, we have increased the loan requirement portion, and this will, in turn, balance out that particular requirement. Because the first portion of the need is met through loan and a larger proportion of need is met through loan. So, that we are dealing in the bursary area with those at the greater need level. And, he's quite right in that there is less money here in bursary, but we are providing more through the loan mix. And, so at the bottom end more people will be receiving a loan instead of bursary, and at the top end those in the greatest need will be receiving more bursaries — a difference between \$1,400 and \$1,800.00. But I can reassure him, I reiterate, that if a student qualifies and is entitled to student aid they will receive it.

MR. AXWORTHY: Well, Mr. Chairman, I will take the Minister's commitment and assurance in that fact and if need be, remind him of it from time to time, but I think that that is exactly the kind of assurance that is necessary. I do believe, however, that the philosophy behind the formula that he's enunciating is not the best one, and that it really does mean that if the Student Assistance Program is designed to ensure that students who want to attend at different ranges and ranks of the economic and social ladder, that they will not be prohibited and we have heard it stated that I guess one of the underlying premises of the user-fee concept is that those who can afford to pay, will pay for the service. I think that if we continually use the idea of adding to the loan burden, or the loan side of the equation, that you will find that it is the students who are on the middle, lower-middle income range who will be more deterred from taking those kind of heavy commitments on simply because of the building up of a large large payback factor. And I'm afraid that it will begin to act as a deterrent for over a period of time. I know already from many students, the prospect of loan factors does force

them to leave school at certain points of time, or that it certainly gives them an awful lot of uneasy evenings. So I would say that I don't have in front of me the kind of, you know, what is the cut-off point when the amount of loans simply becomes too heavy, and it begins to deter people from going to school. It forces them into making other choices. But I would say that my own intuition, or my own sort of subjective assessment, is that we're getting very close to that kind of condition which is one reason why there should be maybe, alternative ways of trying to look at the way that students are to be assisted in this area.

So, I would say, Mr. Chairman, I'm beginning to have some serious doubts about the direction in which the total aid and loan program is going because I think that it carries with it some very serious dangers and beginning to act in its own way as a deterrent.

I would also say that within this package, Mr. Chairman, that there are other anomalies that have to be worked out. I know that over the past several years as I've had to deal with a number of students in my office, that for example, students who have left home who are maybe the children of fairly well-to-do parents, that have now left home and do not receive any parental assistance, find themselves being judged or gauged according to what their loan bursary amounts would be according to, ultimately to their parents income even though there may be a total severing. And, so you find a lot of people who may have left and want to come back, have no obligations, being the ones again, penalized into the system because we're using those kinds of criteria. I think that there are anomalies within the system itself which should be clarified. If we're going back to the idea that raising tuitions puts a heavier burdens on those that can afford to pay we should be very carefully measuring exactly who those are, and what their income requirements are. I think that one of the problems is that by using simply parental income and moving back on that as a criteria that we are creating some injustices in that area.

And finally, I would just ask one final question, Mr. Chairman, because I know that the House Leader wants to rush on with this whole business of education. The other concern I have and I would like to have some report as to how it's working, I took great exception, I guess it was a year ago, two years ago, that the previous governments introduction of the affidavit income tax filing form that went through National Revenue as a way of checking up on students. I thought it was a very serious infringement on rights, and I was given some assurance at the time, that it would be properly handled and so on. I still have that basic unease about the way that we are using sort of a kind of administrative intervention into sort of personal affairs as a way of checking up, as to see how legitimate or honest people are being. I've always been uneasy about it. And I would simply ask the Minister if he hasn't yet had the opportunity to really take another look at that system, and see if it's really necessary. I think there are other ways of providing checks and balances as opposed to using that peculiar way, which I really do think is an interference in individual liberties, and as a government which certainly used the whole case for individual liberties during the election campaign, I would suggest that's one they take a very hard look at, is in this area.

MR. COSENS: Mr. Chairman, I'd like to reply to two points made by the Member for Fort Rouge, first of all, his concern about the loan obligation and the type of deterrent that it may, in fact, provide. I have seen no figures that indicate that that has become a serious deterrent to any considerable number of people. There may be isolated cases, and really, what figure is too much, Mr. Chairman? I would ask the Member for Fort Rouge to say when? Is it \$5,000.00 — is that too much loan to be carrying, \$4,000 — where is the figure that is reasonable when you're investing in an education that, in the end, hopefully will provide you with a much higher income than people who don't have that particular opportunity.

However, Mr. Chairman, on this particular loan aspect, I would suggest that the Member for Fort Rouge talk to people in Saskatchewan where their first \$1,000 has to be loan. Our first \$700 has to be loan. Ontario has the first \$1,000 as loan, and in the Maritimes, let's talk about loan obligation there. Their first \$1,400 has to be taken as loan, so over a period of years, imagine the accumulative effect of that particular type of obligation in relation to what we're doing here in Manitoba. Now, if the Member for Fort Rouge is deploring that situation, I would suggest, and of course that's not a justification for a situation, but in a comparative basis, we are not as badly off in Manitoba as in the other provinces that I have just mentioned.

The other factor that I would like to address, of course, is the business of using the income tax form. I believe that's what the Member for Fort Rouge has referred to. That came in, what? Two, three years ago, I believe, and like the Member for Fort Rouge I rather resent that type of infringement on personal liberty. But, then we are always caught in that particular situation, aren't we? If we are going to be taking public moneys that belong to the people of this province, and of this country, and handing them out, then is there not a responsibility, in turn, to make sure that we are accountable for that money?

I am sure that this is the type of two-edged sword that governments find themselves on, and I have no idea of the deliberations that took place at that time at the federal level on the Canada Student Loans Program, but I'm sure that this is the type of consideration that they had to go through. It was a matter of being accountable to the people who were paying taxes — the citizens of the country — to ensure them that the money that was being handed out was being handed out to those who were deserving. And they saw this as the best means of accomplishing it.

Now, the proof that perhaps it was effective is that, on the basis of the figures, the number of applications that came in previous to that time that the income tax form was required, and the figures of applications after that particular date, that comparison shows a dramatic drop in applications after

the requirement was placed for the income tax form to be used.

Now, that doesn't necessarily mean that people didn't apply that applied before because they felt that they wouldn't receive it, that they weren't justified, it may have another reason. Maybe they didn't apply because they resented having to use that type of approach. I don't know, but there certainly was a very dramatic drop in applications after that took place.

I could also mention, Mr. Chairman, because the Member for Fort Rouge is concerned about the effects of that sort of accountability, that the department last year did a nine percent audit of the application forms, and that nine percent audit turned up some \$346,000 of loans and bursaries that were not valid. That was on a nine percent audit of the total number of bursaries and loans that had been conferred. I think that's a rather frightening figure, Mr. Chairman. I think the main concern of any government has to be that these moneys get to the students who are most needy, most deserving. And if, in fact, over the years, this has not been happening, that the funds have been going to people for any number of reasons, who are able to present an application that caused them to receive this money, then I would suggest that's a rather deplorable situation. And we would hope this year, Mr. Chairman, that we can increase the number of audits that are done in this particular department, not to deter anyone who has a legitimate need at all, but to make sure that the funds that are being used for this purpose are going to those students who have a legitimate need and not to those who for some reason and in some way are able to abuse this particular type of plan.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, I agree with the Minister. I think the figure he mentioned is a serious one and I'm glad he did mention it. I think it should give us some pause to think and I have never taken objection to the audit system itself, I think that that is a legitimate function to undertake. It was the other side of the coin. It may be that the audit system is a preferred way of doing the checking than to use the income tax form and the requirement, particularly as it relates back to situations where there are not necessarily a family relationship between the student and the parent. And I still think of that as an unanswered problem.

There is one other area of concern that I would like to express concerning the application of the Aid Program and that is the difficulties that are often experienced by students who are going out-of-province, particularly to graduate or professional schools out of the province, or those who are incoming from other provinces here. It seems to me that the exchange system somehow doesn't work that well, or there seems to be a more rigorous or a more difficult means of attachment to those. I don't know whether that expresses some bias towards those who are going to schools outside of the province, or whether in fact it is just a matter of difficulty of adjusting to mail problems or the fact of distance.

Again, I have come across many students who are Manitoba residents and their families are, and they choose a graduate school oftentimes somewhere else because we don't offer that particular training, and then run into real problems of getting the Assistance Program under way and oftentimes will not receive their assistance until maybe five or six months into the school year when, you know, they are kind of reverting back and sort of begging and borrowing cups of coffee in the student cafeteria to keep it together. And I would really ask the Minister simply to examine that particular question, if he might, because I have certainly run into several cases of it.

MR. CHAIRMAN: The Honourable Member for The Pas.

MR. McBRYDE: Mr. Chairman, I wonder if the Minister could just, on the figures he gave us, in terms of problems with the Student Aid Program, if the nine percent was a random sample or whether did they pick nine percent of the cases where they thought there might have been some problem? Was there some indication from some sort of review that there was a problem? Because certainly it is an important aspect that the Minister has raised. And certainly for a student who is using the aid, in fact probably not able to get as much aid as he needs, it's very disturbing to that person when they know of another student who is abusing it. Even if it's one student who is abusing it, it bothers the other students who are using it properly and who really need the aid.

In the area of the amount of funds here, Mr. Chairman, as we proceed through the Estimates of each department we seem to keep coming across things that are not quite clear and each one of them seems to indicate that the government is going to have spend a little bit more than estimated. I think that seems to be the case with this item here where the amount for the deferred bursaries changes the picture quite considerably. The Minister says, "Well, if we need more money we will get it by special warrant." And it would appear from his own comments at the start, when I don't think he fully realized the difference with the deferred bursary, that this amount is going to be fully needed. Therefore, it looks like there is an increase in the Estimates again in this one section, as there has been throughout the Estimates as we have gone along, where they have uncovered areas where the Estimates seem to be under-estimated even from the Minister's own calculations of utility bills in community colleges, which are going to stay consistent for the next year and not increase at all over the next year.

The other aspect that the Minister might have ignored in the calculations is the over 500 students that were served by the Inter-Universities North Program. Some of those are going to come to the city now, because they can't get the programs they need, they are going to take a year off and come in and return to school. And that's going to put an increased burden on the Student Aid Program.

The other aspect I would like the Minister to comment on is that . . . And I was joking with the

Member for Fort Rouge when he was speaking, but there was a period of time when the Student Aid Program, and the Student Aid Computer Program, was less than fully efficient and there were some real problems with it during at least two years when they computer programmed the whole Student Aid system. My recollection is that there was a new system devised that was a simpler system using some more manual and a simpler computer system and I wonder if the Minister could tell us how that system is working now. Has there been some staff increase necessary because of the increased manual part of it, but then savings on the computer costs end of it? How is that system working out?

The other thing I would like the Minister to consider if it might not be worthwhile for him through his staff, and get some students from the universities that are on Student Aid, to get an advisory committee to give the Minister some advice on how the Student Aid Program could be more effective and more efficient. The other item that I would like the Minister to deal with . . . And I'm not 100 percent sure that that appears under this item, Mr. Chairman, but I will raise it with him and if it comes under another item he can let me know, but there was during the centennial year a special program developed or a bursary program especially for Indian and Metis students — a grant bursary program. And these were the Prince of Wales and the Princess Anne bursaries, and some of these funds went through the MIB and through the Manitoba Metis Federation. I believe that the Member for Rupertsland was one of the first people — back before he was elected and still in his student days — one of the first people to receive a scholarship through a similiar program. So I wonder where that fits in, and if it comes under this section or in somebody else's budget or somewhere else, or whether that bursary program is still available at all or has it been cancelled by this government.

MR. COSENS: Yes, Mr. Chairman, in answer to the questions raised by the Member for The Pas, first of all, he asked if the particular audit I referred to was a matter of referral or random and I can inform him that it was a combination of both. The referrals usually result in what I should call a more successful audit than the random, of course, where someone has referred a particular case.

As far as the efficiency of the department is concerned, let me assure the Member for The Pas that this has been a concern of mine. I have worked with students for a considerable number of years. I know that they have encountered problems in this area at different times, over the years. I am informed that the department has now ironed out any problems it had in that particular area. In fact, it's their feeling that they can deliver the services with four less staff in this coming year because of efficiencies that they feel they have accomplished and because of the particular procedures that they have refined.

The Member for The Pas also suggests that students should be on a committee in regard to student aid, and I can assure him that they are on a committee that's called the Student Aid Consulting Committee, and there are representatives from the three universities, I understand, and the community colleges as well.

In the area of the particular special grants for Indian and Metis students, I can inform the Member for The Pas that we have increased that allocation this year for some \$20,000 to \$40,000 and in the area of special opportunity native youth bursaries.

MR. McBRYDE: I have a question arising out of one. I would thank the Minister for the last bit of information. Has that already come up or have I missed it, or is it in this section? Where does it . . . ? Right in that section there. So that increase in the one aspect shows in the total figure that's a small reduction, or if you look at the deferred bursaries, a fairly large reduction in the Student Aid Program.

Has the Minister or has his staff made use of the Student Aid Advisory Committee?

MR. COSENS: It's my understanding, Mr. Chairman, that they meet regularly in regard to the whole Student Aid process and policy, make recommendations and so on — a reasonably active committee.

MR. McBRYDE: Mr. Chairman, the reason I asked the question the way I did the first time round is because I wasn't sure that the Minister was aware there was such a committee. According to the Manitoban of Monday, March 27th, 1978, "In 1978 the government did not consult the committee on any of its important changes in next year's policies. The committee has not . . ."

Mr. Davis said that the government did not have time to consult the committee before they brought in these changes, and I wonder if now, since that particular time of March 27th, if since they never used the committee before that date if they started using it since that time.

MR. COSENS: Well, Mr. Chairman, I can assure the Member for The Pas that that committee has been meeting regularly, and of course he can keep quoting from the Manitoban if he wishes but I think a lot of people will have some trouble with the credibility and some of the statements he may be quoting from that particular paper.

I met a student in the hallway the other day who suggested to me that on that paper a great number of staff are so far to the left that they think the NDP is right.

MR. McBRYDE: Mr. Chairman, I think it's worthwhile that the Minister points out where there are inaccuracies in the paper. I'll just quote the section and then maybe the Minister could get from his staff maybe even the dates and show where the Manitoban is wrong. They said, "The committee's last meeting under the previous government was in October." So that must have been before October 24th, I would guess. "It did not have another meeting until January, where it was told that most of next

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year's policies had been decided on and were not subject to committee approval."

Mr. Chairman, I heard one of the members opposite, and as the Member for Brandon pointed out, it usually takes a lot longer when there are comments coming from opposite. He says, "Be original." I think that the originality maybe has been lacking on this side of the House and the Minister of Northern Affairs has been the most original when it comes to newspapers, because twice now, he has told newspapers things that have been shown to be completely untrue. So the originality is on that side when it comes to newspaper stories that are untrue.

MR. CHAIRMAN: The Honourable Government House Leader.

MR. JORGENSEN: With that happy comment, I wonder if we could ask the committee to rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker.

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

IN SESSION

MR. SPEAKER: The Honourable Member for Radisson.

MR. KOVNATS: Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield, that report of Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSEN: I move, seconded by the Honourable Member for The Pas, that the House do now adjourn.

MOTION presented and carried, and the House adjourned until 10:00 a.m. Friday.