

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 10 June, 1986.

Time — 2:00 p.m.

OPENING PRAYER by Madam Speaker.

MADAM SPEAKER, Hon. M. Phillips: Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MADAM SPEAKER: The Honourable Minister of Health.

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

I rise to present a ministerial statement to members of the Legislative Assembly regarding a presentation that I made to the House of Commons Legislative Committee viewing Bill C-96.

On Monday, June 9, 1986, the Manitoba delegation met with both the Liberal and the New Democratic Party Caucuses. Unfortunately, a meeting could not be arranged with members of the Government Caucus.

Madam Speaker, it was obvious from the responses of committee members reviewing Bill C-96 that the hardship which will be faced by Manitobans, and indeed all citizens, is not clearly understood. It has become imperative in my mind that the Federal Government should impose a moratorium on the passage of Bill C-96 until the effects of this withdrawal of funding is made clear to the Federal Minister of Health and Welfare, and the Minister of Finance.

I'll be sending a telex to the Honourable Jake Epp, National Minister of Health and Welfare, once again urging that he and the National Minister of Finance, Mr. Wilson, convene a meeting of federal and provincial ministers of Health and Finance to debate the consequences which will be faced by all Canadians if Bill C-96 is not withdrawn.

I would like, Madam Speaker, to provide members of the Legislative Assembly with a brief summary of the presentation I made to the Committee of the House of Commons reviewing Bill C-96.

Madam Speaker, I indicated that health care is viewed by all Canadians as a vital link in the fabric of our Canadian society. This agreement transcends all political partisanship and is reflected in the present report of the task force studying health and sports commissioned by the Deputy Prime Minister. This study team indicated in their document:

"Based on this review, . . . there are no compelling program reasons to reduce transfer payments. . . The team fears that this action by the Federal Government could substantially reduce its role in the Canada's health care system."

This was the view taken by Mr. Brian Ransom when he served as Manitoba's Finance Minister and who reported to the Parliamentary Task Force on Federal-Provincial Fiscal Arrangements. Mr. Ransom said, and

I quote: "In our view, too much effort and too much good will over too many decades have gone into the creation of these arrangements for them to be risked, or even sacrificed, for some short-term, short-sighted federal budgetary or political advantage."

How big would the federal shortfall be? More than the budgets of all hospitals except the Health Sciences Centre and St. Boniface Hospital, or more than the total fees paid to all doctors in Manitoba. By 1990, the federal contribution will fall some \$318 million short of an equal share in health and higher education.

Madam Speaker, I concluded my presentation to the House of Commons Legislative Committee studying Bill C-96 with an emphasis that the "The solution to Medicare problems would be to re-establish funding in a positive and generous way." Embodied in this is the concept of the partnership which began insured health services and which was made up of 50-50 contributions on the part of Federal and Provincial Governments.

Madam Speaker, the solution to re-establish funding in a "positive and generous way" is supported of course by myself and other provincial Ministers of Health, but are not the words of any one of us. Indeed, they are the words of the Prime Minister, himself, said during his by-election campaign in Nova Scotia in July, 1983 — a statement of which I reminded the House of Commons legislative members.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Morris.

MR. C. MANNES: Thank you, Madam Speaker. I thank the Minister for his statement with respect to the comments that he and the Minister of Education made yesterday in Ottawa.

Madam Speaker, I guess my first question, as I think about the statement that's laid before us, is why does the government persist in using the same terminology, the same arguments day after day after day? I'm aware, as the Minister says, that the members opposite were able to have a meeting with the NDP Caucus in Ottawa. I'm led to believe that they were given some more advance notice of the wish for a meeting than the other members from Manitoba.

Madam Speaker, the Minister goes on and says that Bill C-96 will create a hardship that will be faced by Manitobans. I remind him of his own speech that he gave in the House the other night when he indicated that it might be best to put politics aside when we're looking at this issue. I remind the members opposite of the amendment to the resolution that we brought in on this side of the House, where we indicated to members opposite it was time to sit down and look at the needs within post-secondary education and within health. It was also the time to sit down to assess the wealth of the nation, also to assess the ability and the desirability of all Canadians to want to produce additional wealth.

Madam Speaker, unless people, regardless of what political side they're on in this argument, are prepared to look at the problem in that total overall sense, instead of trying to push it into purely black and white political tones, we're not going to get anywhere on this problem.

When I continue to see the Minister of Health say, "to debate the consequences which will be faced by all Canadians," it indicates to me that the Minister of Health is saying to the Federal Government, you have ample money, but you're turning it off in one specific area. I will pose questions in question period later on, Madam Speaker, to the First Minister with respect to tax reform, because the members opposite seem to think that tax reform will allow the Federal Government greater revenues to prevent the dire consequences of which they speak.

Madam Speaker, the Minister says, based on this review, there are no compelling program reasons to reduce transfer payments. Again, I tell you and members opposite and the people of Manitoba, that their increase this year in total transfer is 5 percent; indeed, there has been no reduction.

MADAM SPEAKER: On a point of order.

HON. L. DESJARDINS: Madam Speaker, could I suggest my honourable friend read this very carefully — (Interjection) — It's a point of order.

MADAM SPEAKER: Order please. What is your point of order?

The Honourable Minister of Health on a point of order?

HON. L. DESJARDINS: Madam Speaker, I would want to remind my honourable friend that the statement he is reading and applying to me is not mine. I was quoting the Deputy Minister's committee.

MADAM SPEAKER: The Honourable Minister does not have a point of order. A dispute over the facts is not a point of order.

The Honourable Member for Morris.

MR. C. MANNES: Madam Speaker, the member opposite talks and quotes a reference to my predecessor, Mr. Ransom. Let the members opposite indicate that what Mr. Ransom was talking about was the change, the unilateral change in equalization payments. So, Madam Speaker, let the members opposite realize what they are talking about.

To finish off the commentary. The Minister talks about a solution to medicare programs would be re-established. What he seems to be saying is, Ottawa, we need help; send more money. Yet we are well aware today that 30 percent of Ottawa's revenues are directed toward the cost of servicing debt.

The final comment, Madam Speaker, again the Minister, and I don't see this in quotes, quoting anybody else, indicates that a 50-50 sharing be struck. Never, ever was there an agreement to 50-50 sharing, Madam Speaker. The government's own resource person working within this area, Mr. Sales, said so Friday morning last, that there was never a 50-50 commitment.

Madam Speaker, I find it again ironic that the Minister of Health rises to make this statement when just two

weeks ago, in debate, he indicated that politics had to be removed from this whole problem.

MADAM SPEAKER: May I take this opportunity to remind all honourable members of our Rule 19. (4) which says, "... a spokesman for each of the parties in opposition to the government may make a brief comment with respect to the announcement or statement and the comments shall be limited to the facts which it is deemed necessary to make known to the House and should not be designed to provoke debate at that time."

I would hope in future, under Ministerial Statements, that the responses would keep Rule 19. (4) at the top of their minds.

A MEMBER: How about the point of order?

MADAM SPEAKER: There was no point of order. The Honourable Minister of Education.

HON. J. STORIE: Madam Speaker, I do have a Ministerial Statement.

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Madam Speaker, yesterday the Minister of Health and I made a presentation to the Commons Committee studying Bill C-96, An Act to amend the Federal-Provincial Fiscal Arrangements Act. The Government of Manitoba believes that passage of this bill would lead Canada in the wrong direction. Bill C-96:

suggests that Canadians should devote a declining share of our economy to health and higher education services at a time when all forecasts show that needs are clearly increasing and evidence suggests that our country can afford to maintain and improve these services; represents a significant and unilateral withdrawal of federal responsibility at a time when federal presence is still needed, and its role has been reaffirmed as recently as 1984, with all-party support for passage of the Canada Health Act; and passes federal burdens onto provinces at a time when provincial fiscal circumstances are particularly strained and federal fiscal circumstances are expected to show marked improvement.

For Manitoba, that shortfall translates into about \$300 million annually. That amount in program terms means:

the entire expenditure on universities and community colleges;
the budget of all hospitals in Manitoba except for St. Boniface and the Health Sciences Centre; or
more than the total combined salaries of all doctors or all nursing homes and Pharmacare costs in Manitoba.

Along with other provincial governments, and increasing numbers of men and women throughout this country, Manitoba believes that passage of this bill must be delayed to permit its full impact to be assessed and understood.

I regret to inform the House that Manitoba's presentation was not supported by the Progressive Conservative Members of Parliament sitting on the parliamentary committee.

MADAM SPEAKER: The Honourable Member for Fort Garry.

MR. C. BIRT: Thank you, Madam Speaker. I would like to respond to the Minister's statement, and I see it's a rehash of the statement that was made some three or four days ago and then repeated yesterday' and now being repeated again today.

It's interesting that we are dealing with the question of laying off of costs from one government level to another government level, and there is nothing contained herein about this government's failure to play its proper role in financing post-secondary education. In fact, the figures seems to indicate that the Federal Government seems to be providing most of the money for the educational financing at the university and this government has been backing away from its responsibility to the universities in this province over the last few years.

There is also nothing in this particular statement about laying off the costs onto the municipality, the hospitals and the ratepayers in this province. I believe they have off-loaded some of their responsibility onto the local ratepayers by some \$100 million in the educational field over the last five years.

Where, if we're talking about this whole question about who is responsible, who is to deliver, who is going to be accountable, why aren't they talking about their shortcomings in this total debate about who is going to be providing services to Manitobans?

MADAM SPEAKER: Notices of Motion . . .

INTRODUCTION OF BILLS

HON. E. KOSTYRA introduced, by leave, Bill No. 19, The Statute Law Amendment (Taxation) Act (1986); Loi de 1986 modifiant la législation relative à la fiscalité. (Recommended by Her Honour the Lieutenant-Governor)

INTRODUCTION OF GUESTS

MADAM SPEAKER: Before we moving to Oral Questions, may I direct the attention of honourable members to the gallery, where we have 23 students from Grade 9 at Inkster School. These students are under the direction of Ms. Vicky Adams. The school is located in the constituency of the Honourable Minister of Finance.

We have 28 students from Grade 5 from the Dearwood School. These students are under the direction of Mrs. P. Barrow and the school is located in the constituency of the Honourable First Minister.

We have 25 students from Grade 6 from the Shaugnessy Park School. These students are under the direction of Mrs. Peggy Hill. The school is located in the constituency of the Honourable Member for Inkster.

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

We also have visiting with us this afternoon in the loge to my right, Mr. Howard McCurdy, Member of Parliament for Windsor-Walkerville.

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

ORAL QUESTIONS

Children's Hospital (new) - opening of

MADAM SPEAKER: The Honourable Member for River East.

MRS. B. MITCHELSON: Thank you, Madam Speaker. My question is to the Minister of Health. Can the Minister tell this House if there has been a date set for the opening of the long awaited, desperately needed, new Children's Hospital?

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Not to my knowledge, Madam Speaker.

MRS. B. MITCHELSON: Madam Speaker, to the same Minister. Can he inform this House whether there have been any delays in the court proceedings, or at what stage these court proceedings are at?

HON. L. DESJARDINS: I can take that as notice, Madam Speaker. Up till now the commission of the department is not trying to interfere with the private sector that are involved in this. It is a question between the architect, the board of the hospital, and the contractor. It is certainly not the commission that is at fault in that at all.

Children's Hospital (old) - power failures

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Madam Speaker. Madam Speaker, my question follows upon the questions of the Member for River East, to the Minister of Health.

Given the recent power outages that have occurred in the old Children's Hospital, and certainly the risk that patients are put at — children are put at — when those power outages occur, will the Minister undertake to have either himself or his Deputy Minister contact the Board of the Health Sciences Centre and find out what is the cause of the inordinate delays in the new Children's delays in the new Children's Hospital and use his influence as Minister of Health, and senior minister in this government, to get at the job of having that new facility open and serving the children of Manitoba.

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: We met with the chairman of the Commission as well as the administrator, and we

made our position very clear that we're quite anxious, especially with the money the taxpayer is spending for the construction of this hospital, very anxious to have this hospital opened. It is a needed facility or it wouldn't have been built and we've done everything that we could. The situation is that it would not be safe to open that hospital now, and that is in the process of being corrected.

MR. D. ORCHARD: Is the Minister of Health telling us that in his meeting with the executive director and the executive committee overseeing the reconstruction of the Children's Hospital, they neither sought nor received even an approximate date for the opening of the new Children's Hospital?

HON. L. DESJARDINS: Madam Speaker, this meeting was held awhile ago, and I don't know exactly what the latest date is, if any, and I'll enquire. These discussions go on with the Manitoba Health Services Commission. But if it is something that this House would like to know, I'll enquire and see if there is any change at all from the date that was given to me.

MR. D. ORCHARD: That's the most kind undertaking for the Minister of Health on behalf of the children of Manitoba.

Madam Speaker, on a new question, could the Minister of Health do some checking with the Health Sciences Centre and satisfy himself and satisfy us in the House and the people of Manitoba that there are sufficient safety precautions and backup plans in place at the old Children's Hospital facility in the event of another unpredictable power outage that has already occurred twice? Will he so satisfy himself and the House that contingency plans are in place to assure the safety of those children in that hospital?

HON. L. DESJARDINS: Madam Speaker, when I saw the report, what happened, I'd already started asking the commission for a complete inquiry. I'm surprised to see that a stand-by system also failed and as soon as I get this information, I will kindly inform the members of the House.

MR. D. ORCHARD: A question follows from the Minister's answer. Is the Minister saying that he only found out today of the power outages that occurred some several weeks ago, and he has not been more informed than that on the danger to the safety of children in that old Children's Hospital than to simply find out today?

HON. L. DESJARDINS: I'm talking about the latest failure, yes, I only found out today.

MR. D. ORCHARD: Madam Speaker, that begs the question as to whether the Minister asked the Board of Health Sciences Centre or the President of Health Sciences Centre after the first power failure what was happening and what contingency plans were put in place. Has this Minister not taken his responsibilities seriously for the children of Manitoba?

HON. L. DESJARDINS: Madam Speaker, I made it quite clear that I was referring to the last failure. I made

it quite clear, if you look at Hansard. I said that today again, I have requested an investigation by the commission to find out exactly what happened and why.

MR. D. ORCHARD: Madam Speaker, at the risk of incurring your wrath, I feel it's appropriate to pose the question again to the Minister. Was he not made aware of the first power failure which endangered the life of children, and did he not make those enquiries then instead of waiting for the second power failure?

HON. L. DESJARDINS: Madam Speaker, I clearly stated that I've asked the commission to investigate on the second incident. The first one, there was some discussion with the commission, they assured me that they were going to look at it and they were going to find out, and that is why this time but I immediately contacted the Commission because I wasn't satisfied, especially after a repeated failure.

Western Canada Games in 1991

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, my question is also directed to the Minister of Health in his capacity of Minister responsible for Sport. Where will the 1991 Western Canada Games be held?

MADAM SPEAKER: The Honourable Minister of Sport.

HON. L. DESJARDINS: Madam Speaker, I think that there's a misunderstanding and a lack of understanding of what the Western Canada Games are.

The Canada Games are held across Canada at certain times and there's a contribution from the Federal Government and the Provincial Government. It was not supposed to be held in a larger centre. The Western Canada Lottery Foundation, it is strictly the province, and it is the opposite. It was held in the largest cities in Western Canada. It was held in Regina, in Saskatoon, in Calgary and again in Regina.

The application and the understanding was that it would be held, when we discussed with the other provinces, in Winnipeg. That is the set-up, that Winnipeg did not have any games at all since the Pan Am Games practically a century ago and the situation is that with some of the facilities and so on, it would help Winnipeg. That was understood from Day One, because that has been the practice of the Western Canada Games.

MR. J. McCRAE: Madam Speaker, I'm not sure, but I think the Minister answered that the games would be held in Winnipeg. Based on that assumption on my part, I'll ask the Minister if this decision was made on recommendation of a site selection committee.

HON. L. DESJARDINS: Well obviously, he can only assimilate a little bit at a time, because I've answered that. I was anticipating exactly that because there's a lack of understanding from my honourable friend on the other side.

The commitment was made with the approval of the Cabinet of the province that Winnipeg would be the

site, and that is exactly the way it was done in Calgary, the way it was done in other provinces.

MR. J. McCRAE: Madam Speaker, would the Minister now agree to appoint a site selection committee so that the feasibility work that has been done in Brandon and is still being done will not have been in vain? In other words, why wouldn't the Minister let someone know about his decision a long time ago?

HON. L. DESJARDINS: Madam Speaker, it was clear that Manitoba offered to hold the games in Winnipeg. That was conveyed to the Ministers at their request, I might say, and as soon as we were informed of what Brandon was doing, they were informed as far as I'm concerned because I have directed the Director of Sports — I received a letter just a week or so ago — I immediately directed the Director of Sports to get in touch with Brandon and explain exactly what the situation is.

MADAM SPEAKER: The Honourable Member for Brandon West with a final supplementary.

MR. J. McCRAE: Thank you. Yes, Madam Speaker. Would the Minister please check with his officials about when or if officials in the City of Brandon ever were informed about this, because the Minister's answer does not square with what we're hearing from Brandon?

HON. L. DESJARDINS: Yes, I will. This letter that I received was approximately a week ago, and I will.

Now if you remember, Thompson put in for games that they didn't get either, and a lot of people put in for games. At no time did we invite any centre in Manitoba to put an application for the games, at no time. And we don't guess — (Interjection) — why not? I just finished telling you why.

Tax Breaks - recommendation of Carter Royal Commission

MADAM SPEAKER: The Honourable Member for Morris.

Order please. Order please.

The Honourable Member for Morris.

MR. C. MANNESS: Thank you, Madam Speaker. I direct my question to the First Minister.

Several times already this Session, Madam Speaker, the First Minister and indeed the Minister of Finance have made reference, when they were talking about tax reform, to the Carter Royal Commission on Taxation.

My question to the First Minister, is it the government's intention to suggest to the Federal Government that new items of revenue, of income be fully taxed as called for in the Carter Royal Commission? I specifically make reference to personal benefits given in lieu of salary, group life insurance, strike funds, workmens' compensation payments. Should those items be fully taxed?

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, what this government supports is the question of overall

comprehensive tax reform at the Canadian level, as well as an examination of tax reform provincially and other levels, to ensure that unfair tax breaks are not permitted.

One of the prime examples, Madam Speaker, of a tax break that must be considered — a number of tax breaks — are in the last two Budgets of the Wilson Finance Ministry in 1984 and 1985. It is those kinds of tax breaks that add to the burden, Madam Speaker, of ordinary wage earners and salary earners throughout the country as a whole.

The principles of the Carter Commission Report, I support. The details are, of course, details that one can take issue with one by one, agreement with some, disagreement with others. Madam Speaker, we must move though to a more comprehensive tax reform system where more truly do we reflect a dollar is a dollar in the main for tax purposes.

MR. C. MANNESS: Madam Speaker, given that the Minister's last remarks indicate that every dollar should be taxed, then is the First Minister indicating that family allowances, veterans' allowances, family assistance payments, the Northern allowance and Guaranteed Income Supplements be also fully taxed, as indicated and recommended by the Carter Royal Commission?

HON. H. PAWLEY: Madam Speaker, what I do want to see and this government wishes to see is that the changes be of a progressive nature rather than regressive nature so those that are wealthiest in our society assume a greater responsibility of payment of taxes within our society. That, Madam Speaker, includes such as the banks, such as the oil companies and less tax burden upon the low-income and middle-income brackets of Canada.

MR. C. MANNESS: A final supplementary, Madam Speaker.

Is it the policy of the government that they support the Carter Commission when that Commission suggests that capital gains on principal residences also be taxed?

HON. H. PAWLEY: Madam Speaker, we're not dealing with the question of principal residence or one's home. This reminds me of the campaign launched by the Conservative Party in the last provincial election when they'd indicated that we were going to impose some sort of equity tax upon the homes of the Province of Manitoba, a complete and total fabrication, Madam Speaker, by the Conservative Party of the Province of Manitoba prior to the March 18 election. The electorate of the Province of Manitoba, Madam Speaker, judged that sort of misrepresentation fully and effectively on March 18.

Legislative Assistants - appointment of

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Madam Speaker, I have a question for the Premier.

The Minister of Employment Services indicated yesterday that he had a legislative assistant. I

understand an order has been passed but not released. Could the Premier indicate then, in addition to appointing the largest Cabinet in the history of Manitoba, that he has appointed six of his backbenchers as legislative assistants?

HON. H. PAWLEY: Madam Speaker, I'm certainly very pleased that a number of legislative assistants had been appointed. Madam Speaker, as you no doubt recall from your own experience, legislative assistants do a great deal of work insofar as this government is concerned, in providing assistance and help to the Ministers in question.

The best example, in fact, was Madam Speaker, with the tremendous amount of work that Madam Speaker did as legislative assistant, on her work in respect to The Day Care Act, the regulations to The Day Care Act, done by Madam Speaker when she was a legislative assistant.

Backbenchers - appointments

MADAM SPEAKER: The Honourable Member for St. Norbert.

MR. G. MERCIER: Madam Speaker, could the Premier indicate whether six of the backbenchers have been appointed legislative assistants, and whether other backbenchers have also been appointed to the Hydro Board, the Telephone Board, and the Water Commission?

HON. H. PAWLEY: Madam Speaker, there are a number of positions that are traditionally appointed by way of statute, insofar as legislative assistants and boards, to various Crown corporations, done by successive governments. Madam Speaker, this government has received full value in respect to all appointments made of MLA's to boards, to commissions, and as legislative assistants, such as the example which I just presented to the House.

MR. G. MERCIER: Madam Speaker, could the Premier answer the question. In addition to appointing the largest Cabinet in the history of Manitoba, can he now indicate to the House that all of the backbenchers have been appointed, either as legislative assistants or as members of boards, or commissions, and some in fact . . .

MADAM SPEAKER: Order please; order please. As the member well knows, a question should not repeat in substance a question already answered, or to which an answer has been refused.

The Honourable Member for St. Norbert.

MR. G. MERCIER: Madam Speaker, in view of the fact that the Premier has appointed six members of the backbench as legislative assistants, and there are at least three or four other positions to boards or commissions, could the First Minister indicate and inform the House whether all members of the backbench have now received one or, in fact, two appointments?

HON. H. PAWLEY: Madam Speaker, definitely some members in this caucus are doing more than one

additional responsibility. Some are doing two additional responsibilities, Madam Speaker, at no additional remuneration beyond the one remuneration for the one additional position.

Funding to colleges and universities

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker. My question is to the Minister of Education. We have had several ministerial statements and we certainly have had a number of press conferences on the lack of proper attention being paid by the Federal Government to post-secondary education.

My question to the Minister is how in a Budget, therefore, of 6.9 percent overall increase, does he explain why universities only got 3.8 and community colleges only 3.5?

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Thank you very much, Madam Speaker. Clearly, my department, along with all other departments, have to establish internal priorities. We do that with a clear understanding of what has preceded us in terms of support to universities, community colleges, and the public school system.

I point out for the members information that from the years 1981 through 1985 — 1984, I should say — the increases to universities, in particular, have been substantial, substantially above the rate of inflation. For the period of time of the first term of this government, the support to universities equalled the rate of inflation, which is not insubstantial, Madam Speaker.

I also indicate . . .

MADAM SPEAKER: Answers to questions should be brief.

The Honourable Member for River Heights.

MRS. S. CARSTAIRS: A supplementary question, Madam Speaker, to the same Minister. Does the Minister not believe that he weakens his own condition with the federal . . .

MADAM SPEAKER: Order please. Would the honourable member like to rephrase her question and not ask for an opinion.

MRS. S. CARSTAIRS: Thank you, Madam Speaker. Is the government's position in demanding more support from the Federal Government not weakened by their lack of support for post-secondary education?

HON. J. STORIE: No, Madam Speaker, as I have indicated, if you look at the record of the government over the last four years, the previous term, our record is certainly superior to most other provinces and, Madam Speaker, puts the record of support, on the part of the Federal Government, to post-secondary education institutions to shame.

Tax assessment increases

MADAM SPEAKER: The Honourable Member for Charleswood.

MR. J. ERNST: Thank you, Madam Speaker. My question is for the Minister of Municipal Affairs. In light of some anticipated shifts in assessment in the City of Winnipeg come 1987; in light of his statement to the City of Winnipeg that he felt classification and portioning legislation would not have any material benefit to the City of Winnipeg taxpayers, would the Minister advise the House what other measures he would propose to bring in to allow for some buffering of those inordinate assessment increases.

MADAM SPEAKER: The Honourable Minister of Municipal Affairs.

HON. J. BUCKLASCHUK: Thank you, Madam Speaker. My response to the City of Winnipeg was that proclamation of Section 2 of Bill 105 would not resolve the problem that some members anticipate.

We are, as I have indicated on a number of occasions, at the present time reviewing all the information that is available to us in terms of what the reassessed values will be. When we have a better idea of what the impact will be, we will then sit down with the appropriate officials and determine what the best course of action might be on the part of the province to ameliorate any undue hardships that may take place when assessment reform is brought in.

MADAM SPEAKER: The Honourable Member for Charleswood with a supplementary?

MR. J. ERNST: Yes, Madam Speaker, I thank the Minister for his answer. The concern that I have is this, that the Session will be on for perhaps two or three more months. If, in fact, the Minister isn't in a position to bring forward legislation when the Session is over, how does he propose to put that kind of assist into place prior to January 1, 1987?

HON. J. BUCKLASCHUK: Just in response to that, I can assure the Member for Charleswood that Manitoba Department of Municipal Affairs staff is reviewing the information that is being provided as quickly as it can, and we will make those decisions on a timely basis.

MPIC - reserve funds re judgments

MADAM SPEAKER: The Honourable Member for Inkster.

MR. D. SCOTT: Thank you very much, Madam Speaker. I have a question for the Minister responsible for the Manitoba Public Insurance Corporation. Recently a Saskatchewan jury issued a judgment for some \$3.4 million in regard to an accident a few years ago involving a Manitoba driver in the Province of Saskatchewan.

Could the Minister inform the House whether or not MPIC has sufficient reserves to be able to cover that payment to the Saskatchewan family, so that the rates

in Manitoba will not be severely impacted by this huge — I believe it is the largest decision that has been rendered against the corporation to date.

MADAM SPEAKER: The Honourable Minister of Municipal Affairs.

HON. J. BUCKLASCHUK: Thank you, Madam Speaker. Yes, I believe that is the largest decision that has been awarded against the Manitoba Public Insurance Corporation. I should advise the member that, in fact, the corporation protects itself to some extent in two ways. The corporation does purchase re-insurance from other companies to protect itself against awards of this nature.

Secondly, we have over the years built up a number of reserves, and I believe the member of the Opposition is acquainted with those reserves. We have a rate stabilization reserve that protects Manitoba motorists from undue increases in premiums. That is the very reserve that the Leader of the Opposition was so prepared to give away about two or three months ago.

Beef cattle - marketing and processing of

MADAM SPEAKER: The Honourable Member for Virden.

MR. G. FINDLAY: Thank you, Madam Speaker. My question is for the Minister of Agriculture. The Manitoba Beef Commission is likely to change its support level for finished animals and premiums on July 1st of this year. Over the last two weeks, the Manitoba Beef Commission marketing numbers indicate that farmers are rushing finished animals to market to beat this July 1st deadline.

The question I want to ask the Minister is, is the size of finished animals coming to market declining this month, and is the number of animals grading below A1 and A2 increasing above the provincial norm during this month?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, the Beef Commission, as the member knows, ever since the program began, makes its changes in terms of the formula twice a year — on July 1st and January 1st. As is the case every year, in terms of cattle that were raised from last spring, some of which are already finished are going to market. I will check the allegation that the member is making and report back to the House, Madam Speaker.

MR. G. FINDLAY: When I look at the open market price for cattle . . .

MADAM SPEAKER: Question?

MR. G. FINDLAY: . . . one has to ask the question, is the presence of the central selling desk interfering with orderly marketing this month?

HON. B. URUSKI: Madam Speaker, absolutely not. In fact, the central desk selling, Madam Speaker, does

bring about greater competition in the marketplace to get a better return to producers so that, in fact, the taxpayers of this province — in terms of the stabilization payments — would pay a lesser amount if we get more out of the marketplace.

Farm foreclosures

MADAM SPEAKER: The Honourable Member for Lac du Bonnet.

MR. C. BAKER: Madam Speaker, my question is to the Minister of Agriculture. In view of the fact that Honourable John Wise, Federal Minister of Agriculture, wants to check with Manitoba farmers before his department cooperates with the government effort to postpone farm foreclosures, could the Minister inform this House of the reaction his department received from The Farm Protection Act?

HON. B. URUSKI: Madam Speaker, I have not seen the comments of the Federal Minister of Agriculture, but I wish to advise my honourable friend, the Member for Lac du Bonnet, that throughout the winter, last fall and early winter of 1985-86, I consulted extensively with over 1,100 farmers in the Province of Manitoba in addition to other farm groups.

Madam Speaker, more than 80 percent of the respondents to the questionnaire that we put out, about strengthening the legislation in Manitoba favoured strengthening of farm debt legislation, supported the position that the Manitoba Government has put forward to this Assembly now.

MADAM SPEAKER: The Honourable Member for Lac du Bonnet with a supplementary.

MR. C. BAKER: A supplementary, Madam Speaker. Can the Minister assure us that this information will be passed on as quickly as possible?

HON. B. URUSKI: Madam Speaker, I certainly intend to again advise the Federal Minister that when they originally made their switch in position from bringing in legislation with teeth, to one that they said, well maybe the banks might be mad and also that the silent majority of farmers didn't want it. I don't know where they got the question of silent majority, but I've already advised him of that, Madam Speaker, and I'm prepared to do it, once again.

Beef cattle - marketing and processing of

MADAM SPEAKER: The Honourable Member for Roblin-Russell.

MR. L. DERKACH: Madam Speaker, my question is to the Minister of Agriculture. In view of the fact that within my constituency there are several farm operators who have been waiting for up to three weeks to market their finished animals, would the Minister indicate whether he would be prepared to allow other marketing organizations and processing firms to process cattle, so that this huge backlog can be taken care of before the 1st of July?

HON. B. URUSKI: Madam Speaker, I'm sure, in fact positive, that any processor who wishes to process cattle, and if their cattle are available for market, the Beef Commission will supply all those orders.

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

MR. L. DERKACH: Can the Minister indicate to the House and to the farmers of Manitoba that, should the price and the support price for cattle and the premiums change as of July 1st, would those farmers who can't market their cattle and are on a waiting list be protected from the price support decreases that might be effective July 1st?

HON. B. URUSKI: Madam Speaker, I don't accept the member's premise, but I, in fact, will check the allegation that the honourable member is making and then we'll see where we go from there.

Bill C-96

MADAM SPEAKER: The Honourable Member for Kildonan.

MR. M. DOLIN: Thank you, Madam Speaker. My question is to the Minister of Health.

It was suggested in the response to the ministerial statement by the Member for Morris that there's somehow a difference between the unilateral nature of the Liberal Government's cutback in revenue guarantees in '81 and '82 and what the Federal Government's attempting to do with Bill C-96 now. I don't see a difference. I'm wondering if the Minister could explain, is there a difference between the unilateral nature of this?

MADAM SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: Madam Speaker, it doesn't matter who the government is, when there's a partnership I think that there should be discussion between the two partners before the partnership is changed.

MADAM SPEAKER: The Honourable Member for Kildonan with a supplementary.

MR. M. DOLIN: Thank you, Madam Speaker, again to the Minister of Health. Would the Minister of Health explain what consultative processes have been set up by the Federal Government to consult with the provinces, prior to the submission of Bill C-96, if any?

HON. L. DESJARDINS: Madam Speaker, there have been some discussions between the Ministers of Health, provincial and federal. In all honesty, I must say that there's been some understanding by the Minister of Health, but the Federal Minister of Health so far has not been able to arrange a meeting. I think he's still trying to arrange a meeting with the Ministers of Health and the Minister of Finance.

In the past — and not only this present government in Ottawa — when they discuss anything like that, when we ask questions about financing on an important thing like the future health care, there's always different actors in the Department of Finance, and it ends there. We've been trying unanimously — the motion passed unanimously by all the provincial Ministers of Health — to meet with the Federal Minister. I must say that I felt that the Federal Minister of Health, at the last meeting that we've had about two months ago, seemed to want this meeting fairly soon.

Lake Winnipeg levels

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Thank you, Madam Speaker. I direct a question to either the Minister of Natural Resources or the Minister responsible for Hydro.

Madam Speaker, a growing number of residents, property owners around the South Basin of Lake Winnipeg, are expressing concern about the level of the lake, experiencing soil bank erosion and other water-related problems. Could either of these Ministers indicate to me and to the House, what is the exact level of Lake Winnipeg at this time?

MADAM SPEAKER: The Honourable Minister of Energy and Mines.

HON. V. SCHROEDER: Madam Speaker, I'll have to take that question as notice. I don't know exactly what it's like today. Last night, at about 8:30, it was at 715 feet, I am told.

MR. H. ENNS: Madam Speaker, the Minister will confirm that 715 is the allowable maximum for that regulated body of water.

Could the Minister indicate — I direct it to the Minister responsible for Manitoba Hydro — has the Lake Winnipeg control structure at Jenpeg been operating at maximum capacity, or is it operating at maximum capacity today, and, if so, for how long has that been the case?

HON. V. SCHROEDER: Madam Speaker, I'll take that question as notice as well, but I can inform the member that, for the first time in many years, we are spilling water over the spillways along the Nelson River.

MR. H. ENNS: Madam Speaker, one final supplementary question which the Minister may wish to take as notice. Would the Minister — you know I don't have the access to the resources that he or Manitoba Hydro have of what the forecast is. My understanding is that the lake is rising, that the summer months will see more water coming into the lake, principally from the Winnipeg River system, but could he give me some information with respect to what the next two or three months look like for Lake Winnipeg?

HON. V. SCHROEDER: Madam Speaker, there is certainly a potential for the lake having more water coming in. That's why, in fact, we're spilling water for

the first time, as I said, in years. I just point out to the member, and to the House, that without the control work we would probably be at about 717 feet right now.

Swan River Friendship and Manitoba Lotteries Commission contract

MADAM SPEAKER: The Honourable Minister of Culture.

HON. J. WASYLYCIA-LEIS: Madam Speaker, I would like to respond to a question that was taken as notice by the Minister of Finance on June 5th. The question was from the Member for Charleswood about a commercial bingo hall in Swan River. I am not sure where the member is getting his information, but I can assure him that the Manitoba Lotteries Foundation has not been involved in any discussions, let alone a decision, about working in cooperation with anyone in Swan River to set up a commercial bingo hall. In fact, the policy of the Manitoba Lotteries Foundation is one of not giving consideration to setting up a bingo hall without first receiving a request, and without the support of the community and without the support of all organizations involved in bingo operations in that particular community.

Water Services Board - requests from municipalities for funding

MADAM SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Thank you, Madam Speaker. I ask a question of either the Minister of Municipal Affairs or the Minister responsible for Manitoba Water Services Board.

Can he confirm that certain rural communities are being refused funds to carry out water services projects which have been traditionally carried out annually, Madam Speaker?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, there is no doubt that there are a large number of communities who have made requests to the Water Services Board, and have done so for a number of years, that the Water Services Board has been unable to meet all the requests in the year that they wish the construction to take place.

In fact, Madam Speaker, I should advise my honourable friend that several years ago we did attempt to negotiate an agreement with the Federal Government, the present Federal Government, to expand the Water Services Board program similar to that which was in place when he was in government, the Service Centres Agreement Program. We were unable to get that agreement and, as a result, Madam Speaker, as well, we are unable to meet all the requests that are there. So that staging, as has always been the case, will have to take its course and communities will be done on a priority basis but, basically, as soon as we can get to them.

MR. J. DOWNEY: Madam Speaker, can the Minister confirm that some of the projects are being cancelled because the monies are being transferred to a commitment to expand or to build a hog processing plant at Neepawa?

HON. B. URUSKI: Madam Speaker, that certainly, in terms of the monies that are being put into Neepawa, but that money has been provided as an addition to the budget of Manitoba Water Services Board.

MR. J. DOWNEY: Madam Speaker, I want to be clear because there are some towns that have been calling me in this regard.

Is he saying that there isn't a transfer of funds away from projects that would have been ongoing this year, that those projects will go ahead as normal; there hasn't been money taken out of them for other purposes?

HON. B. URUSKI: Madam Speaker, I indicated to the member, and he raised the question about Neepawa, the Neepawa project is being financed through the Jobs Fund, in addition to the monies that we put into the Manitoba Water Services Board.

Madam Speaker, there are projects that we will not be able to complete in terms of our budgetary commitment this year and expand. There is a whole host of communities who have applied for projects under the Manitoba Water Services Board and they will have to take their turn, Madam Speaker.

Every community, as well, Madam Speaker, if they wish to, can of course undertake a project at their own cost. But, obviously, they would like to receive cost sharing from the province, and there are only so many dollars available in the program and we are dealing with them as quickly as we can.

Careerstart Program

MADAM SPEAKER: The Honourable Member for Elmwood.

MR. J. MALOWAY: Thank you, Madam Speaker. My question is to the Minister of Employment Services regarding the Careerstart Program.

How many jobs does the government expect to create for young people this summer through that particular program?

MADAM SPEAKER: The Honourable Minister of Employment Services.

HON. L. EVANS: Madam Speaker, I am pleased to report to the House that we are maintaining our Careerstart budget this year at the same level as last year, namely, \$8.5 million, and we expect to provide, with the cooperation of the private sector, nearly 6,000 jobs.

I might add, Madam Speaker, that in addition to Careerstart . . .

MADAM SPEAKER: Order please. I can't hear the Honourable Minister's answer.

HON. L. EVANS: Madam Speaker, I have indicated that we, unlike the Federal Government, have

maintained our program this year at \$8.5 million. In addition, Madam Speaker, we have provided 900 jobs through the STEP Program, the Student Temporary Employment Program; and, in addition, through department regular-budgeted summer positions, another 1,200 jobs.

I might also indicate that we have 43 Manitoba Youth Job Centres throughout the province and we expect to assist about 13,000 young people in obtaining jobs this summer.

Madam Speaker, I just might add . . .

MADAM SPEAKER: Order please. The time for Oral Questions has expired.

NON-POLITICAL STATEMENTS

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, I rise to seek leave of the House to make a non-political statement.

MADAM SPEAKER: Does the member have leave? (Agreed)

The Honourable Member for Brandon West.

MR. J. McCRAE: Thank you, Madam Speaker.

Madam Speaker, last weekend, six members of the Royal Canadian Mounted Police from the Westman region ran 230 kilometres to raise money for cancer research. They worked hard to organize the event and they ran hard and they raised over \$15,000.00.

Those officers are Staff Sergeant John McAdam, Constable Nick Greenhill, Constable Fred Lyons and Constable Ray Lamb of Brandon, and Constable Bill Hornseth of Minnedosa and Constable Dennis Hogman of Souris.

Madam Speaker, our thanks go to these courageous and public-spirited members of the Royal Canadian Mounted Police. Theirs was a commendable effort and deserves the recognition of all honourable members and all Manitobans.

MADAM SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: I, too, would like to ask leave to make a non-political statement.

MADAM SPEAKER: Does the honourable member have leave? (Agreed)

The Honourable Member for Thompson.

MR. S. ASHTON: Thank you, Madam Speaker.

Recently, communities across Manitoba and across Canada participated in the Participation Challenge. I am pleased to report to members of this House that Thompson placed first in Manitoba with a grand total of 12,423 people in our community participating, a participation rate of 86.95 percent.

I would like to also note for members of this House that Thompson placed seventh out of 204 cities across Canada.

As a footnote, I would like to indicate, for the interest of the First Minister, that Selkirk agreed to fly the flag

of Thompson if Thompson beat Selkirk in that challenge. We did beat Selkirk. Unfortunately, we don't have a flag, but I can indicate that we will be preparing a flag specifically for the town of Selkirk following from this.

In conclusion, Madam Speaker, I would like to, I am sure, speak for all members of this House in congratulating the organizing committee in Thompson and the many people who participated in this tremendous show of activity.

Thank you.

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, just on a point of order, I thought the Member for Thompson said his comments would be non-political.

HOUSE BUSINESS

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, first on a matter of House Business, it's my understanding that the Public Accounts review was completed this morning. You will recall that we had Thursday scheduled, if required; it not being required, the Government House Leader and I have had a brief discussion and agreed that there will be no committee hearing this Thursday.

We will commence with standing committee hearings again next Tuesday. I will discuss with him what will be brought forward at that time and announce to the House within a day or so as to the conclusion of those discussions.

Madam Speaker, I move now that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty. Estimates will be reviewed, Agriculture in the House and Highways and Transportation continuing in the committee room.

It is my understanding that the committee chairpersons will ask the committees to return to the House around 4:20 p.m., so that we can have Her Honour, the Lieutenant-Governor come in following on the result of last night's conclusion of the Capital Supply debate.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Kildonan in the Chair for the Department of Highways; and the Honourable Member for Burrows in the Chair for the Department of Agriculture.

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY — HIGHWAYS AND TRANSPORTATION

MR. CHAIRMAN, M. Dolin: Okay, your recollection is Item 2. A comment first, particularly to the Member for Turtle Mountain, could you please speak into the mike, Hansard is having some difficulty recording the discussion.

We are on Page 94 and 95. We were dealing generically with Item 2, and the Minister tells me that he has — by the way, also another announcement — as to remind people, we will be interrupting the proceedings at 4:20 to go back into the House. Okay. The Minister has some responses to questions asked.

The Honourable Minister of Highways and Transportation.

HON. J. PLOHMAN: Yes, just briefly, Mr. Chairman, I have a couple of responses. One for the Member for Minnedosa who asked about the total amounts hauled on winter roads during the past year.

The 1984-85 year, there were a total of 21,225,791 kilograms hauled; and in 1985-86, on the winter road system, it was up from 21 million to 27,097,210. So substantially more kilograms — and the member wants me to speak English and I'm going to ask the department because they continue to provide me weights and distances in both miles and kilometres and kilograms and ounces and pounds and tons and tonnes, it will take some calculations — so we're going to get a conversion chart. But, at any rate, what we see is substantially more in 1985-86 from 1984-85 and a longer season, I believe as well, because they were completed quite efficiently this past year with optimum weather conditions. So things went very well.

Insofar as the question that was asked by the Member for Turtle Mountain regarding the rental paid for a trailer at the weigh station on Highway No. 2, the department pays a monthly rate of \$235 for the rental and \$15 for insurance for a total of \$250 a month.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Any further questions on Item 2? The Member for Gladstone.

MRS. C. OLESON: Yes, I'm going to ask about my own constituency. Can the Minister inform me on the progress of the so-called Treesbank Bridge, the bridge over the Assiniboine that was proposed to be on No. 3 Point, actually where they're proposing to build it is in the Member for Arthur's constituency, but it's my constituents who mostly use it?

HON. J. PLOHMAN: Mr. Chairman, as I indicated to the Member for Gladstone, I think, last year during the Estimates, we have made a commitment to proceed with the planning for the replacement of the ferry which is falling apart over the last number of years, a lot of repairs on it. It certainly hasn't been the best possible type of transportation, a very expensive bridge required though in that area.

The bridge design has been completed. However, the acquisition of the property has not been finalized leading to the bridge. We are not proceeding with the construction of a bridge there before we have all of the approaches acquired, the land, and also the land for the road that would lead up to that relocation at that point.

So discussions are taking place with the Canadian Forces, because there is some federal land involved from Camp Shilo there, and that has complicated matters somewhat and delayed matters a bit. But we're making progress and discussions are going on with regard to the replacement of the Treesbank Ferry.

Tuesday, 10 June, 1986

MRS. C. OLESON: I had understood that the discussions would be taking place with the Forces, or DND as long ago as last fall. I thought perhaps that was completed by now. Is there some specific thing that's holding them up, if they're being held up?

HON. J. PLOHMAN: There is a difference of opinion with regard to the cost-sharing and the location of the route, change in commanders. This usually leads to beginning discussions all over again when that happens. So I believe that there is progress being made now and, hopefully, there will not be a change in the position there and agreement can be reached this year. But there are a number of outstanding issues dealing with location and cost-sharing.

MR. CHAIRMAN: The Member for Gladstone.
Also, could you please speak into the mike?

MRS. C. OLESON: Do you mean to tell me that, should the commanding officer change, no matter how often, this bridge would be held up? That could go on forever. What are you talking about?

HON. J. PLOHMAN: The member knows exactly what I'm talking about. The officials deal at the local level, and there has been over the years, if the member would go down to the base and talk to some of the people that have been there for years, there have been changes in positions as to what should be done there.

The fact is that we should have a report from the staff, I'm advised, by about the end of the month, the end of June. We should be able to make a better assumption than of the starting dates for actual construction as to when we can complete the acquisition when I do get that report, and the staff will be giving that to me by the end of the month.

MRS. C. OLESON: What is the status of the purchase of right-of-way not connected with DND property? Is it going well?

HON. J. PLOHMAN: Mr. Chairman, again I will be receiving a full report on that at the end of that month, but this is through an irrigation area, as the member is probably aware, and this has complicated matters with the landowners in the area to find the best possible route. But we understand now that there is a general agreement for the route, and it should be finalized during this next construction season. The money for the acquisition is in the budget.

MRS. C. OLESON: When will we be expecting to see some actual building of the bridge then? Not this year? Late this fall?

HON. J. PLOHMAN: No, when I say the money is in the budget, the member is probably familiar, there are really basically four phases to any construction project. There's the survey and design phase which has to be done and the acquisition phase which is a subsequent phase to that, the acquiring of the property. In this case, we were doing both at the same time; and then the construction phase would come followed by surfacing if that was part of the project. So there is a

number of years involved before a project can actually take place. So what's in the budget this year is the design, which has been completed, and the acquisition dollars, not the construction dollars.

That is a separate approval and if the acquisition is complete and construction can physically begin, then it will be put forward by the department for the Minister's consideration and consideration of the government next year, the 1987-88 construction season. We can assume at this time that it will be put forward by the department on that basis, but it depends on how these things work out. At this time, it looks like it will be brought forward for next year.

MRS. C. OLESON: I'm sure the people in the area will be disappointed that it isn't going this year. They seemed to have been put off year after year.

Anyway, let's turn our attention to another bridge on 352, north of No. 1, a small bridge. There was some dispute about it and the angle at which it was to be put in. Has that been resolved and has the bridge been replaced on that creek?

HON. J. PLOHMAN: The Chairman expects me to have all of these answers immediately. We will get that information for you right away.

The Member for Gladstone made a comment, though, about the people being disappointed. With regard to the Treesbank Ferry replacement, I imagine they have been disappointed over a long number of years with successive governments not taking action. We, on the other hand, have committed to take action on this pressing problem, but I think the people there, that were at a public meeting we attended, understand the process, that there is planning before a project can actually take place. We have made a commitment, and that is being carried on. So I think they understand that process, and I would hope that the member, when discussing this with local constituents in the area, would be prepared to explain that process to them so that they are aware.

Insofar as the bridge on 352, I'm endeavouring to get the status report on that at the present time. Perhaps the member would be wanting to go on to another question while I get that information.

MRS. C. OLESON: While the Minister is inquiring about that bridge, there is also the road in that area — there was some dispute about the route it should take in being rebuilt. Has that problem been resolved? Is it actually being built on the recommendations of the people in the area?

HON. J. PLOHMAN: As I recall, I believe this is the one that I had discussions with the landowner on and went out to view the property there. Mr. Campbell, I believe. We discussed this with him and we have, as a result of that, abandoned the expropriation of the new route through his yard and are rebuilding that on the present location in the area of the bridge. I believe that was actually a culvert, wasn't it? It's a very small box culvert probably.

As to the construction, we will check to ensure that our information is accurate, but I believe that has been completed.

Tuesday, 10 June, 1986

MRS. C. OLESON: Further north of that, there is a connection with another provincial road — I've got a map, but I haven't looked at it for the moment — I believe it's 353, where there's a large jog in the road. Has that matter have been dealt with, in that the road is straightened so as to have the intersection in what you'd term perhaps as the correct place instead of about a mile off, the way it was before?

HON. J. PLOHMAN: Certainly the comments made by the Member for Gladstone are well taken in this regard. Having seen that area, there are a number of winds in the road that have to be taken out when that road is upgraded. It wasn't planned that that would take place, the whole section of that road, immediately, but when it is done, it would certainly be straightened out and those intersections improved.

The member may be putting this forward now as a top priority for her constituency. If that's the case, I will certainly keep that in mind for future programs, unless she corrects me that there are some others that she would want considered ahead of this particular upgrading.

MRS. C. OLESON: There are so many road crossings in my constituency, Mr. Chairman, that I wouldn't know how to prioritize them. The people from Plumas would be pretty upset if I prioritized 353 and 352.

So we'll now talk about 260, and the narrowness and the poor shape of that road. I'm wondering if the Minister has any plans to do anything with that road in the future. I'm meaning just north of No. 16, between 16 and Plumas.

HON. J. PLOHMAN: Mr. Chairman, at the present time, we have no plans in the department, immediate plans, for the reconstruction of that particular section of road. There has been some work done on 260 in another area — (Interjection) — yes, that indicates quite a low traffic volume average. I don't know whether it's a lot heavier at this particular point. I do have traffic map statistics; it would be in here in terms of the volumes. The other sections certainly don't indicate that it is a highly-travelled road. That section may be different and we have received some resolutions on it from the local councils and it will be brought forward by the department as one of the \$300 million worth of proposals that they come forward with every year.

MRS. C. OLESON: I inquired of the Minister's office, I believe it was late summer or last fall, about the traffic counts, and at that time it was indicated to me that it was 452. Now, is that not a high traffic count?

HON. J. PLOHMAN: Yes. I am looking now at the section that the Member for Gladstone is speaking of. North of PTH No. 16, it is 385. Average daily truck, 422. The truck percent, 10.7. Yes, that would be relatively high for a PR road and it is not reflective of the other section that I had in the program earlier, which had much lower traffic counts. So this is relatively high for a provincial road, a relatively high traffic count.

MRS. C. OLESON: That road gets a high degree of traffic and considerable truck traffic and it is very

narrow. If you meet loaded grain trucks there, it could be a problem. It's very narrow in the shoulders — well, the shoulders are practically non-existent. It is the edge of the road that is crumbling.

I think the Minister should take a good look at that particular section of that road and try to upgrade it in the near future.

Also, while I'm asking questions, on No. 50, which I hope is being finished this year as regard to topping

MR. CHAIRMAN: The Honourable Minister on a point of order.

HON. J. PLOHMAN: On a point of order, Mr. Chairman. Just on this, I don't mean to be very stringent on this but initially the member asked about a bridge and so we did not object to it being asked under this Section 2 which deals with bridges and structures. But now the member has branched off to highway projects generally in the department and those could be handled under two areas, under Planning and Design or the Planning and Design on Land Surveys section or the Construction Budget. We had almost finished discussion on 2 last time. The Member for Minnedosa, the critic, had indicated that there was probably very little to go there. So I would like to see us get through that and deal with the appropriate section of the budget.

MR. CHAIRMAN: I don't think that's a point of order, but I think your comments have been duly noted.

The Member for Gladstone.

MRS. C. OLESON: I have one short question, and I want to go back to the other committee, that's why I'm putting it all in this area. But on No. 50, I had complaints, people telling me the problems with the gypsum trucks that travel that road. I wonder what the regulations are and how you enforce them, on tarping, tarps on those trucks, because apparently they were causing a fair bit of problem with the products flying off the trucks.

HON. J. PLOHMAN: Mr. Chairman, there may be a need to tighten up the regulation and legal requirements in this area, although the number of complaints that I have received has been rather limited. There have been some areas where there have been some complaints about trucks losing material from them while they're driving and causing broken windshields and damage to other vehicles following behind, but it has been rather limited, as I said. There is a requirement to place a tarp over a load that is not stable. The definitions I'm not certain of in terms of when it is required exactly and when it isn't.

But certainly they can be ticketed if they are caught with this situation and complaints are made. But it is difficult to get a conviction in the area because you have to pretty well catch them at it. I would think perhaps an inspector or an RCMP officer would have to follow behind and get his windshield cracked before he could do something about it. I'm not certain, but it is difficult and it may need some tightening up of the regulations if it becomes a widespread problem. I haven't had it raised with me to a large degree.

Tuesday, 10 June, 1986

MRS. C. OLESON: I thank the committee for their indulgence and that's all the questions I have.

MR. CHAIRMAN: The Member for Lakeside.

MR. H. ENNS: Thank you, Mr. Chairman.

On the general operations and maintenance of our primary roads and provincial road systems, I've always had a strong feeling about the effectiveness of one of the particular programs the department operates - the sealcoating operations. Of course, this is dependent on the condition of the roadway involved, but as a means of prolonging the life of the road and providing a good driving surface, the sealcoating program that the department carries out, in my judgment, is a highly commendable one. In passing, I may say that the job the department just completed on Highway No. 6, which coincidentally runs through a good portion of my constituency, was recently sealcoated and is providing an excellent example of what I'm talking about.

It seems to me, Mr. Chairman, that with the department facing pretty serious constraints on money supplies, there should be a doubling or extra emphasis placed on the maintenance program. For that reason, at least I'm pleased to see that the Operations and Maintenance program is more or less standing pat at previous levels of cost.

I can't help, Mr. Chairman, but take this opportunity to remind the Minister, of course — and I know that you will indulge me in this to put these things on the record — if, for instance, the Federal Government only increases a budget appropriation 5 percent from the anticipated 7 percent that the Minister of Education wants for higher education, then he and his colleagues shout a loud chorus of cutbacks. I suppose, by the same token, I could charge the department with severely cutting back the Operations and Maintenance of the Department of Highways because they've just allocated more or less the same amounts of money, \$66 million, \$67 million, this year over last year, but I won't do that. I like to maintain some integrity with respect to the meanings of words. This is not a cutback. This is a stand-pat budget.

This is my specific question to the Ministry. In view of the fact that we are going to have to do our best to maintain and prolong the life of our roads, and in my judgment sealcoating is one way of doing that and still providing an acceptable riding surface — as I indicated, I drive over a good portion that was just done a few weeks ago on Highway No. 6 — is the department maintaining, as I would suggest, its amount of sealcoating work in the coming budget year under this appropriation?

HON. J. PLOHMAN: Mr. Chairman, that is certainly a point made by the Member for Lakeside that I agree with and it has been reflected in our budget the last couple of years. Sealcoating is done on asphalt surface treated roads as well as bituminous pavement roads and we have about 6,500 kilometres in the province of those kinds of roads. This year we're doing 760 kilometres in sealcoating, so we're doing about 12 percent which is fairly close to the requirement to do them every eight years for a bituminous surface.

We have expanded that budget from the 1984-85 year of \$3,724,750 to this year, 1986-87, to \$4,567,550,

which is about a 30 percent increase. That, I believe, reflects the added importance that we're putting on this particular process as a preventative maintenance action to extend the life of the roads that are paved.

On the gravel roads, we also have expanded our dust treatment from \$1,587,779 in 1983-84 and held about constant in 1984-85, to \$2,337,720, which is another effort to assist those people who do not have access to paved roads but would therefore have access to a dust-free surface, which is important, particularly in front of home sites; but in some areas longer stretches, particularly in the North where there's nothing but gravel and long stretches of road to provide for passing opportunities for cars that may be following others at slow speed.

So that is an area that we have expanded and as well applied it this year for the first time to main market roads in LGD's, so they are being treated in the same way that municipalities are with regard to PR's, so that's another area of improvement. Those two areas are receiving special attention and larger increases that certainly could not be compared with the health care increases that the member was referring to, insofar as the Federal Government is concerned.

MR. H. ENNS: Just as a matter of interest, Mr. Chairman, can the Minister indicate what the cost of sealcoating a mile or kilometre is compared to say a few years ago? Have dropping petroleum or bunker oil costs at least maintained those costs at a reasonable rate or . . .

HON. J. PLOHMAN: We don't have a comparison with, say, 5 years, 10 years ago, but there has been obviously a substantial increase in the costs of the oil required in sealcoating, so that the costs obviously have escalated correspondingly over the last number of years, leveled off obviously, and dropped a bit this year. But the cost is around \$12,000 a mile for sealcoating.

MR. H. ENNS: But surely, Mr. Chairman, I can appreciate the costs rising, as petroleum products of all descriptions rose prior to the big bust when they came down very substantially. I would think that the department ought to be able to be purchasing that petroleum product at 30 percent, 40 percent less than what they were doing this time last year. Or is that not the case?

HON. J. PLOHMAN: Well, the estimate of 30 percent to 40 percent is a little high. We have been receiving quotes of about 15 percent to 20 percent lower and we are analyzing that to determine whether the true savings that should be accruing to the department are indeed being passed on in the quotes, but that's what the market is dictating at the present time — a 15 percent to 20 percent drop from last year.

MR. H. ENNS: I'm pleased to have that information from the Minister. I think it only makes common sense that this aspect of Operations and Maintenance receive the kind of attention that obviously the department and the Minister are prepared to give it, that is, a somewhat enhanced program to prolong the life of some of these roads.

Tuesday, 10 June, 1986

Just in conclusion, on the matter of the dust control program that is of great concern to rural Manitobans as you know, I would want to hear it from the Minister himself that while that program hasn't reached PR 518 as yet, there's absolutely no truth to the story that it's not going to be dusted simply because I live on that road. My neighbours are raising this question with me from time to time and I would like to think that in the ordinary events of scheduling, sometime perhaps even as early as late August, I might get some dust control taken off 518.

HON. J. PLOHMAN: Mr. Chairman, just on that, I'm not certain how far the member is off the centre of the roadway. I believe it's 250 or 300 feet, the requirement. If it hasn't been done and if he's further off than that, that's the reason; he doesn't fit within the regulation. But if he does, if he's within 250 or 300 feet, then he will receive the same treatment that any other resident does throughout Manitoba, in proximity to a gravel provincial road or main market road.

MADAM SPEAKER: The Member for Brandon West.

MR. J. McCRAE: Mr. Chairman, on the sealcoating, on my way in from Brandon on Monday morning, I noted they were doing some sealcoat work on the stretch between Headingley and Winnipeg. That stretch is not a very good stretch of highway in my estimation to begin with. I just wonder, would you expect that sealcoat would prolong the life of that stretch of highway for eight years.

HON. J. PLOHMAN: I didn't say that it would prolong the life necessarily eight years. It obviously prolongs the life, but usually a road will be done, resealed every eight years. An AST, an asphalt surface treatment which is just a thin layer should be done, resealed every four years. But a bituminous overlay, every eight years is the standard that is applied.

That doesn't necessarily mean the last time it's done, that it's going to last another eight years. It depends on the condition when that sealing is done, but it will prolong the life of the road.

MR. J. McCRAE: Mr. Chairman, when you're talking about reconstruction, what would be involved in the reconstruction of a stretch like that? Would it involve taking up all the layers and putting more infrastructure material underneath it? That would be considered a reconstruction. What would be the effect of putting off a reconstruction by using this chip seal treatment? What would be the effect to the infrastructure? Would it continue to deteriorate and would you end up paying more money after a long time to rebuild that infrastructure underneath?

HON. J. PLOHMAN: That would tend to be the case. There's obviously a most cost-advantageous point to do it, where major construction can be put off only so long and then it has to be done. I guess, if you can put it off for a number of years and keep the road in good driving condition for a number of years longer because of this kind of maintenance, it's obviously cost-effective. We certainly can't get to all of the roads, as

members have pointed out, to reconstruct them in any given year.

So that happens all the time that decisions are made to apply either a shoulder treatment to support the road so that there are wider shoulders put on roads to support the existing pavement, or the application of batching or sealcoats, whatever the case may be, to extend the life of the road.

It will though, in the long run, be more expensive if this kind of application doesn't take place, because we're going to have to totally reconstruct, which is obviously the most expensive operation.

MR. J. McCRAE: Well, that's the very point that I'm concerned about. I know that in the City of Brandon where funds are scarce like they are everywhere else, we've been using the Chip Seal Program downtown in order to put off the reconstruction that's really needed now. I always wondered if we're really being a little pound-foolish by not doing the reconstruction that should be done now.

Now I realize there are financial constraints, but are we not being penny-wise and pound-foolish with such a program, as much as I recognize that the way things are right now, it's pretty hard to do anything else?

HON. J. PLOHMAN: I don't know whether the member is referring to a specific stretch of road in his concerns.

MR. J. McCRAE: No.

HON. J. PLOHMAN: Just a general discussion.

It would be obviously better perhaps to reconstruct those roads at certain times when safety becomes a factor, and that's one of the other functions that I didn't mention of the Seal Coat Program is safety. There are certain roads that get very smooth, the pavements, glassy almost, and they are replaced with . . .

MR. D. ORCHARD: Where?

HON. J. PLOHMAN: Well, the Member for Pembina hasn't been up on Highway 75 south of Morris, or he probably would have recognized that condition there where the repaving is taking place this year.

But certainly they do get very slippery under those conditions, so sealcoating is sometimes done for safety as well.

I imagine that debate could go on for a long time as to when roads should be reconstructed. The fact is that it does take a lot of money to do that. There are limited dollars; there's a tremendous number of miles of road in the province, therefore, we have to take what steps to protect what we have there as opposed to completely reconstructing it.

I think that if we can prolong that, the life of the road, it's obviously going to save money, because it's cumulative. The next time it's redone, it's going to carry on for that many more years. Over a period of time, there can be a substantial saving by extending the life of existing pavement as long as possible.

MR. CHAIRMAN: Is that the finish then, the Member for Brandon West?

MR. J. McCRAE: Yes.

MR. CHAIRMAN: Next is the Member for Minnedosa.

MR. D. BLAKE: Mr. Chairman, you were mentioning resurfacing. I wonder, why are we not recycling our asphalt in Manitoba.

HON. J. PLOHMAN: Well, there are some special processes involved in that and equipment as well. We are doing that in some instances. To what extent, I would have to discuss with the department, but there is some of that being done in certain areas. There are some special processes. It's not quite as simple as it sounds to do.

MR. D. BLAKE: I understand that we're the only province in Canada that doesn't do it, and every state in the United States is recycling asphalt at some 20 percent savings. I just wondered why we weren't doing it in Manitoba.

HON. J. PLOHMAN: Mr. Chairman, we do not have the same extent of the opportunity to do this as some other jurisdictions. There are areas in the states or other provinces perhaps where they have much thicker pavement layers than we put on in Manitoba. Europe certainly has much thicker pavement layers of bituminous overlay.

A lot of our roads are ASTs, very thin layers, so there's nothing to recover. In terms of the concrete areas where we have overlaid them with bituminous overlay, we have not got to the stage yet where that has been stripped off and reused, which is one of the areas that they do recycle pavement or bituminous product by stripping off the concrete when they're redoing it. Again, we're just beginning that phase, as opposed to the extent that we're actually redoing it.

MR. D. BLAKE: The City of Winnipeg is recycling. Do they have the proper equipment? Is there any way that we could use that equipment or subcontract to them to use their equipment?

HON. J. PLOHMAN: Well, theirs, Mr. Chairman, I understand, are all overlays on concrete, which we don't have a lot of application for. Highway 75 would be an area where we would attempt a recycle project.

MR. D. BLAKE: The Member for Lakeside was talking about the sealcoating. No. 10 is being done from Minnedosa north to Clear Lake. There's a tremendous risk to windshields here. I know, when they did No. 10 from Minnedosa south to Brandon, I forget how many hundreds of windshields were broken. I wondered if the department could provide maybe some better signage in some way to warn the motorists that there was a dangerous area.

I don't know what precautions you might take. When somebody goes roaring past you with an 18-wheeler or something, there is not much you can do about it, but it's tremendous damage to windshields. I know the treatment doesn't last that long. Once the sealcoating is worn in, it provides a much better road surface and does prolong the life of the road.

There are a few clean-up questions that I want to have before we get into another area, Mr. Chairman.

The Minister's received quite strong representations and resolutions from the Highway 250 Association, which runs from Souris through to Sandy Lake, through my constituency, and Highway 355, there's been resolutions and I'm sure he's well aware of the concerns of the people in those areas and has that foremost on his list of attention when circumstances permit.

I know Highway 250 from No. 16 north to 45, the right-of-way is virtually being completed on that now and I do hope that the reconstruction of that 11 miles or 9 miles, whatever is there, receives immediate attention next year because those people have been waiting years and years for their road.

Also, I understand about the only asphalt treatment or paving that's being done on No. 1 is in the Oak Lake area. There was about four miles, or four kilometres north of Alexander on 250, a road that was rebuilt two years ago, that was slated to be paved this year. In fact, at the meeting out in Alexander, I think the Minister indicated to them that it would be paved. I think that's disappeared off the program. It would be an opportune time, while the batch plant is in that area, to do that little section because I do see one piece in Alexander — they're paving First Street and Second Street, across the tracks in Alexander Village — so it would be an ideal time to do that little section of road while the plant is there.

HON. J. PLOHMAN: Mr. Chairman, again at the risk of getting into a discussion on the construction program projects when we are dealing with Maintenance, I will answer that question, but I think we should get on to the appropriate appropriation.

I wanted to just mention, in terms of the sealcoating and the danger to windshields, which is appropriate under the Maintenance section, that the road condition reports, and road construction reports are given to the media every week and, of course, they carry them pretty well. I have heard many times on the radio, while I'm driving, areas that are mentioned as being in the process of sealcoating, or under construction, and that kind of thing. So I think that is a fairly effective way.

We are also planning to put the road construction projects on the Teledon project that we have, which was introduced last year for conditions in the wintertime, road condition reports and, of course, we want to add also this information this year. So that I think will again provide greater accessibility to it, limited at this time but certainly a move in the right direction. So those are two areas of efforts made by the department to inform people on construction projects, as well as sealcoating maintenance work.

I will mention the one question that was asked to save time, Mr. Chairman, that it hasn't gone by the wayside. The question was asked about Highway 250. There's 5.8 miles of base and asphalt surface treatment in the Budget under the New Projects this year, on 250, west junction of PTH 1 to north of the Assiniboine River.

MR. D. BLAKE: It's still in.

HON. J. PLOHMAN: It's still in.

MR. D. BLAKE: We were under the misunderstanding it had been lost. If that's still in, that's fine.

All right, on Highway 354 I get a lot of complaints there, Mr. Chairman. There was a section rebuilt there a couple of years ago and apparently the construction has just been most unsatisfactory. The levels of the culverts aren't in the right places and water is running the wrong way. In fact, I just had a call today. He wants me to come out with a camera and take a picture of it because he's sure you'd be interested in it. But I realize there's always two sides to a story.

I wonder if maybe at this time the Minister might — I suppose it may be better covered under Construction — but I was wondering what the policy was on the width of the road surface now. Has there been a change back to 26 feet, 28 feet, or 32 feet? What is the policy?

MR. CHAIRMAN: I'm wondering if the member could hold that until the next item. It seems that Planning and Design would probably be the logical place to deal with it.

MR. D. BLAKE: All right, we can do that.

Back to Maintenance. I was interested yesterday when the Minister was extremely concerned about the safety of the rail lines, where there was a derailment on the Churchill line. I think he has to show the same concern for the maintenance of highways.

HON. J. PLOHMAN: Sure.

MR. D. BLAKE: Now, there are a lot of our roads that have deteriorated to the point where they are becoming very dangerous. I'm sure the Minister has a letter that I just received in my mail today on the condition of Highway 16 between Neepawa and Minnedosa — this person is a long-distance trucker and his wife is a part-time trucker who works with him on many occasions — and I just want to mention one or two statements from her letter. She says, "Construction work started two years ago and nothing is being done at the present time except some graveling and packing." She said, "Why spend the money on repairs on this mess and why not get on with the paving?"

She's on the understanding that there's a stretch there that has to be dug up and redone. Now there is a section of two or three kilometres that's in a terrible state. Mind you, I know frost boils and that haven't helped the problem.

But she goes on to talk about the contractor. "It was a small contractor who never had more than five machines on," and "there are many, many tourists that travel that road every day to their cottages," and complaining about the time it took to do that small section of road.

There was a company, BCB Contracting of Regina, who built the bridge, and apparently they left thousands of dollars owing in the Neepawa area and the cheque that they gave for the tender specs, was returned NSF. She says, "This should have warned the Highways Department of the type of operators they were."

I just wondered what tendering process is used. Is there a provincial preference, or why would a contractor from outside the province be awarded that tender? There is probably a logical answer for it.

The holes and the bumps in the road — now, I travel the road every week, Mr. Minister, as you know, and

I agree with her, there are two or three bump signs there that just say, "Bump" and you look for maybe a small bump, but these are really dandies. You could throw yourself right off the road with them. So I think some other type of signage has to be used on a dangerous bump but I'm sure the Minister has the letter and will be reading it and replying to it because there's no doubt that stretch of road is dangerous.

It was the understanding of the people in the area that the paving will be done from Franklin to Neepawa this year, which I understand is going to be done. They were supposed to rebuild from Franklin to Minnedosa, that is not going to be redone and that is of some concern to people in the area. They thought well, finally, this stretch of road will be done and we'll be finished with it and we'll have a nice road that won't be nearly as dangerous as it has been with all of the dangerous passing areas that existed with the little humps and valleys.

So maybe the Minister could get that back onto the top priority list and see that that section of the Yellowhead Route, which is becoming an extremely busy route — the traffic on that Yellowhead Route over the last number of years has increased, I don't know how many-fold, but I'm sure the department has had counters on there and could maybe give some indication of the traffic increase — not only large trucks but the tourist traffic too because it's quite a scenic route going right through to Saskatoon and through to the west coast.

HON. J. PLOHMAN: Mr. Chairman, I just want to point out that I have a lot of comments I'd like to make on the Yellowhead Route and the kinds of expenditures, and the construction, and the priorities of those two project areas that the member mentioned. But we are falling into the same trap and dealing with the construction projects, and it's 8 (a). I really feel, as patient as we've been that we should try to move along and deal with those appropriations.

MR. D. BLAKE: When do you want to discuss the Selkirk Bridge? Under Bridge Service Tendering here, or do you want to leave that?

HON. J. PLOHMAN: It's in the Construction Program. It doesn't matter if the member — that one is a bridge, and the Bridges and Structures is under this section, so I have no problem discussing it here; but it can be discussed either here or in the construction program.

MR. D. BLAKE: Well, we can do it here because one or two members might want to speak on it and maybe they want to get back into Agriculture, so maybe if we can do it here it's done and gone.

I have had many calls and many comments there, and I'm sure the Minister has, too, about the location of it and various other things, although the location appears to be established because the bridge is going ahead through the former Minister's very expensive river bank subdivision.

I wonder if the Minister can tell us where the expropriation of the land is at the present time. Do they have all the land they require now, and have there been any court settlements made, and how many land acquisition disputes are in court now?

HON. J. PLOHMAN: Well, generally speaking, Mr. Chairman, on the east side of the river the acquisition proceeded at an earlier time than on the farther western portions of the route. I can get the exact statistics and the dates that people were given notices and the time that this was extended and so on and probably have that information; but there has been a greater amount of time given to people to make arrangements, those that actually have to move out themselves, their homes, to make arrangements for acquiring new homes and property. We've extended that time and I can give the exact dates, but it seems to me that at the present time there is good communication and people are aware of what circumstances are taking place and the offers are being made and time being given for them to be out of their homes.

I have to mention, of course, that expropriation is never a pleasant process and that people never like to leave a long-established home and that's completely understandable, but there are certain instances when public projects are to go ahead that these kinds of unpleasant things have to be done. That has taken place many times in the past; the Red River Floodway being one of the biggest ones undertaken by the Roblin Government in the Sixties. So, obviously, these kinds of situations do occur, but it's important that we try to make the process as humane as possible and to give as much time as possible, and we are endeavouring to do that insofar as this particular project to extend the time as much as possible for the landowners in the area and to be as fair in terms of market value.

The process is clear that individuals who are being expropriated have an offer made to them and negotiations do take place. If they do not agree with that, they can accept an offer without prejudice and then take the appeal to the Land Value Appraisal Commission which sets the land values on the basis of market value, and again, if they are not satisfied, can appeal to the courts. In those cases, all legal fees are paid by the government to do that. So that is, I think, as fair as it can be considering the fact that it is their property that they are having to give up, but it is a fair process and market value certainly.

Also, there is payment for dislocation and loss in moving expenses and that kind of thing. So all of these things are considered in the loss. Now you can't pay, as someone said, a headline in the paper I think dealing with Highway 44, you can't pay for memories and so on to the extent that individuals would like to see it. But there is as much attempt as possible made to be fair in terms of the compensation that is offered.

MR. D. BLAKE: I wonder when the Minister is getting that information, if he would maybe get some particular information on the offer that was made to the Partridge family there and what the situation with that is. They were a bit further back but, with the enlarged bridge, they were going to be looking out of their front window at a 70-foot bridge.

I wonder if the Minister might tell us now what the latest estimate of the cost of the bridge is.

HON. J. PLOHMAN: I just wanted to point out, Mr. Chairman, that the location of the bridge was something that was discussed at length during the Estimates in

past years, and it was mentioned by the member as if it had something to do with the former Minister's preference. Certainly, the former Minister of Highways, the MLA for Lac du Bonnet, who happened to have property in the area where the bridge is now located, was not in favour of that particular route and had no part in the decision to take that particular route. That has been made very clear. He would much rather have not been interfered with there in terms of his property just like all of the other people that we're talking about.

I find it rather strange and ironic that on the one hand expropriation is such an unfair process when it deals with the other members of the public, but when it deals with the MLA for Lac du Bonnet, suddenly it's something that was so desirable and that it's been fixed and construed in such a way that he would be one of those expropriated. It's rather a different set of values.

MR. D. BLAKE: Subdividing of a lot has become a little more expensive than raw land.

HON. J. PLOHMAN: Well, the member might want to go and . . .

MR. CHAIRMAN: Can we have a little order? I think we are getting a little bit off operations tonight — that's it!

MR. D. ORCHARD: No, you are right, Mr. Chairman.

HON. J. PLOHMAN: No, we're talking about bridges and structures. The member made reference to the location in an insidious way, I felt, and I thought it was important that I deal with the location.

MR. CHAIRMAN: I think your explanation is leading to further explanations and I think we should get on. Do you have any further questions, Member for Minnedosa?

MR. D. BLAKE: I have lots more yet.

HON. J. PLOHMAN: Well, Mr. Chairman, I wanted to finish my answer. I can go on to something else if you want. I wouldn't consider challenging the Chair, but I point out that Estimates is the time when we can get into all kinds of detail on these things and if the Opposition likes to do that they certainly cannot do that as well during question period. This is the time to do it.

Insofar as the status of the homes, the Lippoway home site, the time that they had to be off the property was extended to May 1, 1986. It is now vacated. The Hawchuk home site was extended to June 1, 1986 and another extension — this is east of the river — to June 30, 1986 because of children in school. So again there has been consideration made. West of the Red River, the vicinity of the west approaches to the bridge, there are eight property owners on the west side, but in the vicinity of the west approaches to the bridge, the Skrynyk property home site was extended to July 1, 1986 and balance of the property, possession was taken on April 15, 1986, but the home site extended to July 1, 1986. Similarly the Partridge property was extended to July 1, 1986 for vacating.

The point about . . .

MR. D. BLAKE: Pardon me, Mr. Minister, from when?

HON. J. PLOHMAN: I think it was an additional three months from April 1 to July 1. The fact is that there were a number of public hearings, Mr. Chairman, you know, getting back to the location and so on. During that process, there were public hearings; there were hearings with the land use committees in the area; there were resolutions received from the Town of Selkirk and the municipalities to support the north bridge. There was general awareness, in my estimation, of the location of the bridge, so it was not a total surprise for these people, and there were preliminary visitations made by the land acquisition people and the local people in the Highways Department. So there was an awareness that this bridge was going to go in that location and that the property would be needed. So it wasn't a complete surprise for the people.

Insofar as looking out and seeing a bridge being constructed, the structures, the piers for the bridges had to take place during the winter months when they could get on the ice and the river was frozen. That's why the construction was taking place at that time. That has no impact on the people who are sitting out there watching. They still had several months until that construction takes place.

So, even though the construction was close by, that has no bearing on the point in time when they had to be out. I think that should be pointed out. It's rather dramatic to point to the structure that is being built and the piers being put in in the middle of winter, and they're still living on the property. But it really had nothing to do with the construction schedule for the other portions.

MR. D. BLAKE: I think one of the concerns with those properties — the people have lived there for 30 and 40 years — it's to find another property that would be suitable. We know what's happened to land values. In the meantime, whether that offer they received is going to be sufficient for them to find another place that's reasonably close, if they don't accept the offer and want to go through the courts, they may be strapped financially to be able to purchase another property. Those are some of the concerns that we're finding in the area.

HON. J. PLOHMAN: Just on a point, Mr. Chairman, I did state clearly that they can accept the offer without prejudice to the final settlement, so there is nothing keeping them from getting that offer in their pocket if they can use it to . . .

MR. D. BLAKE: . . . sufficiently.

HON. J. PLOHMAN: It certainly is substantial. It's not a dollar.

MR. D. BLAKE: What effect has this had on the operation of the marina there, to date? Has it been any, or what was the final height of the bridge? The Minister didn't give us the final estimated cost of it. What height did they end up at, clearance?

HON. J. PLOHMAN: The height from the mean average, the mean level of the water, July 1, I think, is 60 feet. That was revised to take into consideration, not only the federal dredge that was working, it works in the river of some 50-some feet, 53, but also the future, probably, expansion of sailboat masts in the foreseeable future. Actually, they can go up as high as 80 feet, we understand, but the likelihood of that being a problem in the near future in that area was pretty slim. So we tried to accommodate some additional height for sailboats in the future, from now the highest being around 50 feet, allowed another 10 feet and the dredge in that area.

The initial costs were based on a 38-foot clearance, which is the same as the North Perimeter Bridge, and the engineers, planners, in making that estimation, used one that they felt was perhaps similar circumstances as the North Perimeter Bridge. As it turned out, it had to be higher than that, and it did contribute to an escalation in the total costs of the bridge.

That information came out through the public hearing process, that there would be greater heights and there would be problems caused to some businesses in the area. They took into consideration the float-plane base there, not putting it too close, so the planes taking off would have no problem clearing the bridge. There would be no liability. That was one of the considerations that resulted in a changed location. But the public hearing process did lead to the fact that we realized that we could not build a bridge at 38 feet as originally estimated.

MR. D. BLAKE: Have the federal regulations been met, or have you received their clearance on . . .

HON. J. PLOHMAN: The Navigable Waters Act, which applies, the board has given clearance for the construction of the bridge. That was received about a year ago, or eight months ago. In terms of the bridge cost, the prices of the contracts have been coming in under budget which is one encouraging aspect of the total price of the bridge. So we have no idea of what the total price of the bridge is going to be. If this continues with the additional — not just the bridge, but the roads on each side, a total of how many miles of road as well, that is really something that is uncertain at the present time, as to what the contracts will come in there. But on the bridge itself, the piers and the superstructure, there has been substantial lowering of the total costs because of the bids coming in lower.

MR. D. BLAKE: The 20 million will probably handle it, the connecting road and . . .

HON. J. PLOHMAN: The estimate of the bridge itself is about 12.9 million and then the five miles of road connecting that had to be built raising the estimate up to \$19,591,000.00. The estimates at the present time are showing about a \$600,000 underage on that, so it's around the \$19 million. If the other projections come in lower, we may be able to do it for 18.

MR. CHAIRMAN: The time is now approaching, I have on the speakers' list the Members for Charleswood, Assiniboia and Pembina. I'm wondering, we're

Tuesday, 10 June, 1986

supposed to be back in the House at 4:20, should we interrupt proceedings at this point, or do you want to begin your line of questioning.

The Member for Charleswood.

MR. J. ERNST: No, I'll wait.

MR. CHAIRMAN: I'll interrupt the proceedings then to return at 8 o'clock. The first member on the speaking list, the Member for Charleswood.

SUPPLY — AGRICULTURE

MR. CHAIRMAN, C. Santos: The committee please come to order. This section of the Committee of Supply has been considering the Estimates for the Department of Agriculture. We were in Item No. 2.(a), Manitoba Crop Insurance Corporation, Administration.

The Honourable Minister.

HON. B. URUSKI: I'd like to put some information on the record that was requested by the Member for Roblin-Russell that I have available for me. So unless you wish to get hold of him, then he can hear it directly and you can go ahead with your questions and I'll put it on the record when he comes in if you like — (Interjection) — Okay, then I'll wait, and you go ahead with yours.

MR. G. FINDLAY: I would say wait, he'll be along shortly, I would imagine.

MR. CHAIRMAN: The Member for Virden.

MR. G. FINDLAY: I would like to ask the Minister, when staff are brought in, is it possible to introduce them to those of us who are new members? I think I know most of them, but a lot of our newer members aren't aware of who we have sitting out front there.

HON. B. URUSKI: Mr. Chairman, I thank the honourable member. I apologize to my colleagues. I am very pleased to introduce to you on my left my Deputy Minister, Dr. Jerry Gartner; and on the right is Ron Dalgliesh, who is the General Manager of the Crop Insurance Corporation.

A MEMBER: Where's he from, the Crop Insurance?

HON. B. URUSKI: In from Portage.

MR. G. FINDLAY: Thank you. In light of the fact that, as I understand it, a person cannot receive crop insurance this year if he did not pay his premiums last year, what are the levels of uncollectables or non-collected or delinquent accounts, numbers of farmers and volume of dollars?

HON. B. URUSKI: Mr. Chairman, there is approximately \$800,000 outstanding in premiums unpaid. The corporation, I am advised, has a policy of carrying on an individual for the second year if, in fact, 25 percent of his premiums are prepaid at time of the policy being taken into effect, with a cheque for the balance of 75

percent post-dated to September 30, and a 5 percent surcharge on the total bill.

MR. G. FINDLAY: Is this a policy that's been in effect for some time or is it a recent policy?

HON. B. URUSKI: It's at least two years in place, Mr. Chairman, and I believe that we're going into the third year with it.

MR. G. FINDLAY: Thank you.

On winter wheat coverage — can we just back off for a minute before I ask that question?

On the varieties that are insurable, what is required to determine if a variety can be insured?

HON. B. URUSKI: Mr. Chairman, the crop should be on the recommended list of the department. If it is not on the recommended list, then the crop specifically could be referred to the Crop Advisory Committee which is a federal-provincial committee dealing with crops. They would give a determination, and that would influence the corporation whether the crop specifically could be insured.

MR. G. FINDLAY: Do they require that zonation plot tests be run or some specific nature of testing in the province be done before they can approve it, that committee?

HON. B. URUSKI: Mr. Chairman, usually it is required to have it pretested for a couple of years and have that information available, but there are circumstances — and it may not be for winter wheat, it could be for another crop — where tests have already been undertaken commercially. If those results can be shown that they have been successful, those tests could be taken into consideration as well. But, normally speaking, a crop would have to be field tested for at least, I think, two years running before it would be included for coverage purposes.

MR. G. FINDLAY: Would the unlicensed wheat varieties that are licensed have met those requirements of two years of testing?

HON. B. URUSKI: Mr. Chairman, those varieties of unlicensed wheat, they were considered by the committee. As I understand it, I'm advised that the test trial results were received from the State of North Dakota from those test trials, and that information was used in determining whether or not that crop was insurable.

MR. G. FINDLAY: In winter wheat, as I recall what was published last year in midsummer, July, August, that a contract holder could not insure winter wheat unless he lived in, if I remember right, Districts 1, 2, 3 or 8, and he had to be growing it at least a second year. In other words, the first year he grew it, he was not insurable.

HON. B. URUSKI: Mr. Chairman, the major concern about where the crop was grown was as a result of rust, susceptibility to rust. In our discussions with the

Tuesday, 10 June, 1986

Federal Government, our corporation proposed that we allow the crop to be grown in all regions of the province, however, with the stipulation that only producers who had grown it the previous year would be allowed, seeing that they would have had some experience, the coverage. No new producers would be allowed to grow the crop.

However, in our discussions with the Federal Government, they felt that that was not enough of a restriction on the growing of winter wheat, and indicated that there should be a further restriction and that is to limit it to the areas the member talked about in the regions that he mentioned.

MR. G. FINDLAY: As I recall, rust often blows in from the south and one, two and three are right in the southern part of the province, the southwest corner. It would appear to me that they'd be more affected by rust, not less affected, than some of the districts that weren't included.

HON. B. URUSKI: Mr. Chairman, I'm advised that while rust does blow in from the south, the southwest corner is not generally the highly susceptible area to rust; it is generally the drier area of the province. It is the areas where moisture and humidity levels are generally higher that would be the areas that would be more prone to rust susceptibility.

However, that decision was made by the Federal Government in consultation with us, but they would not allow us to cover the entire province.

MR. G. FINDLAY: Do you feel there is sufficient scientific information to warrant that decision last year and carry it on this year, or is there a different program this year?

HON. B. URUSKI: I guess it's a bit of a difficult situation because with the high incidence of rust this year, it is an added concern. As to what the decision might be for next year, there is as well, a fungicide that is registered for the control of rust, but the costs are very expensive for that. I should say to my honourable friend that a decision has not been reached at this point in time in discussion with the Federal Government whether or not that crop will be insured right across the province for next year, but the fungicide is there in terms of the prevention, as well as the higher incidence of rust that has come into the province. So, what decision will be reached, only time will tell, Mr. Chairman.

MR. G. FINDLAY: . . . resistant variety is brought across the line from the States, and I'm not really certain if there is one. But if there is one brought in here and grown in this province, would a person qualify outside of those districts?

HON. B. URUSKI: Mr. Chairman, this still would have to be subject to negotiations and confirmation between Manitoba and Ottawa.

MR. CHAIRMAN: The Member for Portage.

MR. E. CONNERY: Thank you, Mr. Chairman.

To the Minister, we were talking about equalization of insurance premiums the last day we were in the

Estimates. I'm a little confused. You had indicated that if we had a bad storm through the Portage area, rates in Portage would skyrocket. Am I not correct that the maximum a rate can go up is 4 percent in a given year?

HON. B. URUSKI: Mr. Chairman, we have, just for the first time, instituted a cap on rates on the hail program. There is no cap on rates and there has never been a cap on rates under the all-risk program. I'm wondering whether the honourable member is making that kind of a suggestion, that there should be a cap on rates.

MR. E. CONNERY: I'm just asking a question. On a 25-year program and you drop one and add one, doesn't that then necessitate a 4 percent change?

HON. B. URUSKI: That use of the dropping one and adding one year is to determine the coverage levels, not the premium levels.

MR. E. CONNERY: Is there a Mr. Weijs still working as a consultant with the Department of Agriculture on crop insurance, or with the department?

I still have a concern, and I wasn't satisfied that the Minister answered it clearly enough in our last debate on the equalization of the premium rates in the province. There are I think some 18 risk areas in the province — 15 risk areas. I know there was . . .

HON. B. URUSKI: And one in Ontario.

MR. E. CONNERY: There was some concern, or there was some interest by the Crop Insurance Program to try to equalize payments over some period and a Mr. Weijs was involved in that to try to equalize payments. I'm not sure whether the Minister correctly told me that there would not be an equalizing or a melding of rates, but will they still go by the risk areas or is it the intention that the low-risk and the high-risk areas would be melded into one rate and therefore the farmers in the low-risk rate would pay a higher premium?

HON. B. URUSKI: Mr. Chairman, first of all, I'd like to tell my honourable friend that Mr. Weijs was involved and, in fact, he did assist with many of the changes that have been put into place, . . . I say assist because it was a group effort in terms of the staff of the corporation and himself and staff of our own department who worked together in a cooperative basis to start developing the basis for change in the Crop Insurance Program and for review. I want to say that it was a valuable contribution to the department and to the farmers of Manitoba that we embarked on some of these changes.

As I said to the honourable member last night, even though there eventually may be some blending of premiums in the province, or a portion of the premiums, there will still be a premium differential based on the soil type and the crop type that is insured. That differential will exist so that if you're on top quality soils, say, in the Portage area versus a lesser quality in terms of some other part of the province, there still will be a premium differential. But in terms of calculating the risk and the volatility of premiums should a major

disaster occur in an area, that would be lessened if there was some blending of premiums.

MR. E. CONNERY: So I am correct then, Mr. Chairman, that the Minister is moving to lower the difference between the high-risk and low-risk areas. Also, I think the last time it was looked at, you have to have federal approval before this can be done.

The other concern is, that if you raise the rates in the low-risk area, you run the risk of those farmers not taking crop insurance because they're going to say that the chances are very slim and then should we have a major disaster in those low-risk areas, which every many years could happen, we would have a large segment of agriculture that wouldn't be covered. Then we would have a really major disaster.

HON. B. URUSKI: Mr. Chairman, I guess I haven't gotten through to my honourable friend. It doesn't put everyone on the same rate right across the province. There still will be rate differentials. I guess if I took my honourable friend's arguments one step further, I would have to tell my honourable friend from Virden and my honourable friend from Arthur that your farmers had better be prepared on a continuous basis and maybe shouldn't even be farming even though the premium rates in your areas might say that they're going through the roof because of the drought that you have experienced for a number of years, and because of the large amount of claims in that short span, the impact on the premiums will be very severe. So, if I'm hearing the Honourable Member for Portage correctly, he's telling his own colleagues in the southwestern corner of the province, "forget it, boys, quit farming and don't buy crop insurance because you can't afford it, because you're in the risk area that's just too damn high.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, I see where the Minister of Agriculture hasn't changed his tactics at all. He gets in the corner and he's got to come out, threatening one area of the province against another. It's his tactic that he's carried out for the last number of years and, Mr. Chairman, I will not pay a lot of attention to it because I think that's what the farming community is doing — not paying a lot of attention to him.

But I do have a couple of questions dealing specifically with the crop insurance operations and the programs. I asked the Minister and the staff of the crop insurance, when are they going to change their discriminatory policies? When are they going to allow a man or a woman to ensure a crop which they put in on their own — a lease which they have put in place, apart and separate if they are leasing a farm, separate from their husband or from their wife — if the Crop Insurance Corporation doesn't go to that individual and say, "Because your husband owes us some money of a year or two or three ago, you now can't be your own person and lease a farm and carry on. You now have to pay his or her premiums from last year before you can get insurance for this year"?

Is this a caring government that cares about the continuation of agriculture and those people that need

the security? It's a discriminatory policy and I ask the Minister if he won't look into it; the fact that crop insurance today is refusing a woman a contract because of her husband's previous record in the farming business? She is now carrying out a farming operation; she's leasing the operation and is being refused crop insurance until payment is made on that contract.

Now, if I'm incorrect in the statement that I've put on the record, I would ask the Minister, or through him, the Chairman of the Crop Insurance Corporation, to change it, to correct it. But it is my understanding today that there is an individual, a woman who wants to carry on on her own, leasing a farm, but she's being rejected from being able to get a Crop Insurance Program because of that policy. I know of more than one but I know of that one specifically. It could be a policy that's been going on, even when I was a Minister, but if that's the case, Mr. Chairman, then it is not correct. If a person wants to carry out a farming operation on their own, then I think probably that they should be allowed to do so and crop insurance to carry out a contract.

HON. B. URUSKI: Yes or no . . . tell me, yes or no?

MR. J. DOWNEY: Well, Mr. Chairman, the Minister from his Chair says, "Do I want it to be this way or don't I want it to be this way?" He is the Minister; he is the government. I want him to tell us what his policies are and make the corrections that are necessary. You see, that's the trouble; he stands up and can't espouse policy. He's got to make sure that he's not going to get himself into a lot of trouble before he makes a statement, you see, Mr. Chairman?

But I do think that it is certainly worthwhile looking at. I think the board of directors should give serious consideration to it. I don't believe that the Minister who stands in his place and makes a lot about The Family Farm Protection Act on one hand, and then carries out a discriminatory policy on the other hand, has any credibility. This Minister hasn't got any credibility nor the government that he's with has any, unless he starts to clear up some of these problems that have been before the farm community. He can't speak out of both sides of his mouth, Mr. Chairman, and say that he's representing the farm community.

Is he supportive of people in the Crop Insurance Program with a contract of individuality or is he not? That's really the question, Mr. Chairman, and I would ask the Minister to respond to that.

HON. B. URUSKI: Mr. Chairman, I want to tell my honourable friend that I'm pleased that he went out and said finally in his remarks — when I pushed him — that it should be considered. He didn't say whether it should be done or it shouldn't be done, because he said "probably." But I want to tell him that the corporation does not discriminate against spouses. — (Interjection) — No, Mr. Chairman, the corporation does not. The corporation treats the family unit in the same manner as under The Marital Property Act.

We treat the unit as a farm unit, as a family farm, so that if in fact what the member is proposing, in effect, could lead to fairly widespread abuse and it could — I'm assuming that he's not recommending it and I'll take his scenario that the one spouse did not

pay for the premiums in one year, so he didn't make the payment or she didn't make a payment, and then a week later, the other spouse comes in and says, "I want now a contract on me on this same land."

Mr. Chairman, in effect, that family is and has received crop insurance one year, premium free, because what the member is suggesting that regardless of who applies, then in fact we can play one against the other and there could be a one-year premium free. What the corporation has done, Mr. Chairman, is recognize the family unit.

Any lands that were acquired as if they were under the same provisions as The Marital Property Act during the course of a marriage are treated as a family unit. So whether the wife wants to apply for the contract or the husband wishes to apply for the contract, "either/or," the corporation will not discriminate against either one of the parties.

If, in fact, there were lands acquired before the marriage contract by one of the spouses, there could be a separate contract on the land that was acquired before marriage. But clearly, the Crop Insurance Corporation does not discriminate as between spouses, husband or wife, but they do treat the family unit as a family unit and one contract is allowed on lands and on crop insurance coverage based on the family unit.

MR. J. DOWNEY: Well, I am still sure that there is some discrimination being carried out; he hasn't said that there isn't. Really, what he's saying is, and I would ask the Minister if his department has checked as to whether or not they are sure that this land was or was not acquired prior to the marriage. I don't know whether they've done that or not. He's saying that if they have then it would be different, if the individual had, it would be different.

What I am saying, Mr. Chairman, to the Minister is this. Is he prepared to force people into divorce situations or legalized separate situations, which in fact could happen to circumvent the policies of the Crop Insurance Corporation? In other words, no, it's not ridiculous.

In other words, if there is a major bill against a family unit — and I'll just run through this scenario as I understand it. The individuals, the married couple got into financial difficulty. The husband went into voluntary receivership or in some way wouldn't carry on any further, through with the operational part of the business. The wife decides to go to the creditor, whoever holds the title to the land, leases that land back in her name — the husband is no longer a picture of the farm — he may live there but is doing another business — she is carrying out the operations of the farm by renting, hiring and all the activities that normally take place. She is unable to get crop insurance because crop insurance says she has to pay the debts of the husband from the previous year.

So her alternative is this, and she's going to carry on — and goodness knows, she's having a tough enough time as it is, or he, in the reverse situation, is having an extremely difficult time — before they can carry on in their own individual way, even though they're married, she is forced to pay the crop insurance the monies owed to them by her husband. That's really what's happening.

So now what he's saying is, if she wants to continue on and remove that burden from her and from that farm operation, she has to either get a legal separation or divorced from that individual. Would that then, Mr. Chairman, to the Minister, remove that responsibility from that individual? — (Interjection) — I am talking about any number of specific situations. I've had this problem brought to me by more than one, but that could be. But I'm saying is this what he's forcing to happen? Because I've had a very, very serious discussion with an individual in this regard, and it was the wife in this particular situation, and those were the options that I guess he's saying have to be considered.

Now, I think it's unfortunate. I know that one tends to sometimes look at the record, the history of all these individual ones but I'm more concerned about the overall general policy because when times are tough, economic conditions are tough, he is bringing in legislation which he calls The Family Farm Protection Act, which will really get involved between other people contracting with farmers, like banks or credit unions, he's really going to get involved as a government, to direct what can happen in those particular cases, yet he is not prepared to say, with crop insurance, I'm going to get into crop insurance as the Minister and make it easier for the survival of that family farm operation, because I'm going to maintain a policy of last year's debt and the year before being paid by the wife or the husband who wants to carry on in their own individual way. It's another way of trying to survive.

I guess, if the Minister wants that to be left on the record, that he's not prepared to give consideration to some form of policy change — I think if I am recalling correctly, I think there was a commitment over time for that individual, or the individual to pay back those monies in the longer term period — and I stand to be corrected on one, but what would be wrong with that kind of a situation? Let the individual carrying on get crop insurance, the individual who owes it, a commitment to crop insurance that they will have a claim on wages or on funds that they will be receiving in the future.

I'm not advocating that crop insurance should subsidize the farm operations. I'm not saying that at all. I do think there are other ways of getting around the problem so the individual who is desirous, as an individual carrying on the operations, gets the benefits of crop insurance coverage.

That's the bottom line and I'm not saying that we should have crop insurance as a subsidization for the people who can't make it in farming, but I think there has to be a little bit more flexibility because I'm talking about one case — I know there are several others that are out there that must be going through the same kind of situation.

I do consider it, in today's times, somewhat of a discriminatory policy and I would hope that the Minister would give me the assurance in committee today that he will look into it, discuss with his corporation the ability to try and resolve these kinds of situations so that it does allow the family farm to continue on with one individual operating it and not being responsible for the partner's former debts, which probably they did not have a lot to do with the incurring of.

HON. B. URUSKI: Mr. Chairman, without putting anything on the record in terms of individuals and the

like, and I don't intend to, I want to tell my honourable friend that in the case that I gave him, I want to advise him that the spouse was in the office a week prior to the other spouse coming, on the same land; there was one application and then there was another application.

In fact, Mr. Chairman, we have suggested that if, in fact, any client believes that we are discriminating against a spouse, that this matter be — and we have referred one or two cases to the Human Rights Commission for adjudication, to test whether or not the policies that the corporation has are discriminatory or not.

It really comes down to a question, Mr. Chairman, of who pays? That's really what it comes down to. What the member is suggesting, and I guess I have to raise the question, will the rest of the farm community agree that if we allow the switching back and forth between spouses of contracts, as financial circumstances dictate, is it equitable on the rest of the farming community in the Province of Manitoba that they allow one year premium-free crop insurance coverage to that family? That's really what it comes down to.

The corporation is not in the direct financing field in order to deal with the inadequacies of the financial system, as all of us from time to time would have criticism of, of someone not providing enough operating credit, which in cases of operating credit would involve the cost of crop insurance, fuel, and all other aspects of the farming operation. That's really what it comes down to.

The corporation, in terms of its historic mandate, has not been in the financing field and I'm not sure that it should be in terms of an ongoing basis, although they have expanded their scope in trying to give more leeway in terms of payment of premiums but there is a point at which one doesn't go any further. I guess in this situation, based on treatment of spouses as under or similarly to The Marital Property Act, we have basically said this is as far as we will go.

MR. J. DOWNEY: Mr. Chairman, I made it very clear that I didn't expect the Crop Insurance Corporation to be a subsidy for the farm community or for those bad debts. I made it very clear that that was not what I wanted them to do and I don't expect the rest of the farmers in the community to carry out the additional costs. Let's make it clear. Who carries the cost of the premium? It's the Federal Government, 50-50 cost-shared with the farmers. So there is a half-and-half and it wouldn't totally be the farm community's responsibility; it would be half their responsibility in additional premium increases.

I am not advocating that at all. I think there are other options to help some extremely difficult situations and I again say it against the background of a government, that would introduce legislation as hard as they introduced on the debt moratorium legislation, surely can look at some more options within the crop insurance than they've looked at, to help these difficult situations. That's the point that I want to make.

I have another question dealing specifically with the Feed Security Program. Mr. Chairman, the Minister last year made reference to the fact that the federal money that was offered for drought money for the farmers of western Manitoba, or for Manitoba, that it was not

given to them because it was going to go into the Feed Security Program.

I would like the Minister, or the crop insurance people, to show in the Estimates where that additional monies will show up in the Estimates of crop insurance. The monies that came were supposed to go to the Drought Program, he said were diverted to the Feed Security Program within crop insurance. I would like him to identify for us where those monies show up and where it reduces the provincial input. There must be some mechanism there that shows that up.

The other question dealing with the Feed Security Program is this and that is, have they given consideration to the coverage under the Feed Security Program in certain areas where they have put the program, that over the last five years the crop production in forages have been extremely low? For people to enter into that program now is not that encouraging because the last — I think it is a five-year average that they used for establishing of what the production coverage should be for this year — there are people who are concerned that they're using too low an average for the coverage under the Feed Security Program, particularly — and I'll use the Grand-Clarière, Deleau area, and the Sifton and Cameron Municipalities, they were to enter into a Feed Security Program this year, the level of which they were going to get coverage would be too low to give them any support because of the record over the last five years.

Is the crop insurance using the provincial average for those situations or are they using their own specific areas on coverage?

I'd like to know what the participation rate is in the Feed Security Program in that area as well. As well, I am wondering, because of long-term historical effects on crop production in the province, I am wondering if a special program couldn't be looked at for the producers, the agriculture and the livestock producers in these heavily-infested areas where grasshoppers have been an extreme problem, in these areas where flooding may have been an extreme problem, is there any way — and I know the Federal Government has made overtures as far as some kinds of assistance are concerned — is there any way that additional insurance or some form of disaster program could be put in place for those area farmers?

I know that the Keystone Agriculture Producers have received support again for consideration for those areas in the southwest that are again hit with grasshoppers. This is, Mr. Chairman, the fifth consecutive year that people have been eaten or are going to be eaten out of their livelihoods, their crop production, their hay production. They are virtually in a state of despair, Mr. Chairman, because of the losses that they have incurred over the last five years.

I have nothing but sympathy for those people, Mr. Chairman. They cannot do anything with their property. It has become extremely impossible for them to carry on with their normal operations. I, Mr. Chairman, would even advocate for some of these people to consider selling their property, some of it that would fit in with the wildlife management area there that has caused the problem, for them to consider doing that. I really do feel that it is time government took a look at some of these situations and said, look, there's just no way that there can be programs introduced to continue to

support you. This government hasn't, but the crop insurance can't continue to let on that there's any meaningful form of coverage.

What are the options? I really feel that there's — you know, this last year, we thought with last fall's rainfall that everything was good. There was over above average rain last fall. There were additional spring rains this spring that gave everyone a lot of hope but, as I stand here and speak today, Mr. Chairman, the grasshoppers in that Deleau, and that Grande-Clariere, and that Lauder area, in the Sand Hills area are eating the entire crops. I have a neighbour to the north who has already lost a complete crop of wheat because of grasshopper infestation.

There are no additional spraying programs by the government. The Minister laid that on the record the other day. There isn't any additional coverage through crop insurance for those individuals, any special coverage, although I can buy hail insurance coverage if I lose my crop by hail. I don't think it's any worse to lose a crop by hail than I do by grasshoppers. I think a loss is a loss.

There has to be, whether it's through crop insurance and the Federal Government, whether it's through some special program of support for those individuals — and I say not only for the grasshopper-infested areas, but for extremely heavily flooded areas. There have to be some answers because those people who are being put under that pressure of agricultural conditions cannot withstand that extra loss. It's the extra pressure that those people are having to withstand.

As I say earlier, I think, Mr. Chairman, that the government maybe even have to consider purchasing some of those properties that would fit in with the wildlife management areas, much as I have been opposed to large government tracts of land carrying out what has traditionally been done by the good grace of the farm community. But what are the options?

I lay this scenario out. I had a farmer tell me the other day that about four years ago, he had several thousands of dollars in a bank account. He had a good herd of cattle, and things weren't doing too badly. Now he owes the bank money. He has got half his cow herd left, and he's got a pastureful of no grass and grasshoppers and can't do anything. What does he do? He can't go and sell it to anybody; he can't get away from it. He could walk away and let the farm just sit there. The taxes would build up and the municipality would eventually take it back. But that's the kind of desperation, Mr. Chairman, that is in some of the areas that I represent.

I would like the Minister's comments, because we have pleaded with him for grasshopper spraying and support. We pleaded with him last year for drought support. Let's take a meaningful look at it. Is there some program that can be implemented for additional support for those individuals? I'm pleading with the government, Mr. Chairman. He got the mandate, his government got the mandate on March 18. Now, let's show the people that they deserve that mandate. Let's show those people who are sitting out there, trying to continue on with their farm operations, because again I come back to the point.

He keeps saying that he's going to get involved with Family Farm Protection Act to protect them against certain other elements in our society like financial, and

that cuts across everybody. What about those areas of his responsibility where he could be of some assistance?

So I've asked some specific questions dealing with the Feed Security Program like the numbers of people who have participated, the kind of formula that they're using and the support levels. And is he or will he give consideration to implementing some special form of program for individuals who have been devastated either by grasshoppers or have had this continuing flood problem, and it's really deprived them of their livelihood?

Goodness knows, Mr. Chairman, it's hard enough in society today in the farm community to stay alive under normal conditions without having either five years of grasshoppers or floods or that kind of thing imposed upon them. Is the Minister showing any leadership or has he done anything in this regard?

HON. B. URUSKI: I wish to comment on the member's statements about the federal-provincial dealings on the Drought Assistance Program and how that money was used, but I want to bring my honourable friend back to 1984 as to when the original drought program was negotiated with the Federal Government for his area, in which payments were made to two areas.

There was the more severe area, I believe it was 13 municipalities in the southwest and western part of the province. I think it was 13; I'm going from memory. Within those 13 municipalities, there was also an area of less or moderate severity of drought and those payments were made. So the total program, cost-shared between the Federal and Provincial Governments on that criteria, of \$4 million.

If the member recalls, there were many representations made and including, I'm sure, my honourable friend who was in the House at that time, saying that the criteria was far too stringent. There were many people who were left out that were across the line. Quite frankly, they were right. When boundaries were, in fact, established and you had basically a pot of money allocated for a program, you confined it to an area that likely would cover the most severe regions.

That of course did not take into account some people who may have been over the border of those areas that, in fact, had hay supplies or didn't have hay supplies and people within the drought area who may have had some area which had better rains and had a hay supply. That was recognized, and the inequities of the program were there. When it came to 1985 — and I guess I should also mention, going back a step, our boundaries matched with those in the Province of Saskatchewan.

In 1985, using the same criteria that was established, the eastern boundaries of the Province of Saskatchewan which bordered Manitoba were considered the less severe area, and they were eligible for the lower payments under the drought program.

As well, in 1984, we made a double payment to the farmers who were under the Feed Security Program that we were testing in the southwestern part of the province. But we were told quite clearly, Mr. Chairman, by the Federal Government that, once, we will make a double payment; the second time, there will be no double payment in areas that had feed security the previous year.

So when we looked at the area that might qualify and looked at the number of animals that might be eligible, it came down to an amount of assistance into that area of about \$250,000, shared equally between the Federal Government and the Provincial Government. We said: is there a way to better use this money, recognizing the severity of the situation for those farmers who didn't have hay?

I acknowledge the statements made by the honourable member that when you have grasshoppers up to your knees and have no hay and have no money to pay for it, it doesn't matter to you that someone is saying, well, that little bit of help, we are not even giving it to you. I recognize that.

Mr. Chairman, in fact, I went to the member's community during last winter to discuss the whole financial question in the farm community. This matter had wide discussion at a public meeting right in the member's home town. We had a — oh, yes, okay — I was just advised, Mr. Chairman, by my staff that I in fact actually gave greater credit to the program than was there. There were actually no areas eligible for drought assistance under the 1985, which was the same criteria as '84 for Manitoba. That's true; there were no areas. In fact, we were not even invited to the meeting in Calgary, the negotiating meeting or discussion meeting about the parameters of the program until we made several phone calls to Ottawa and requested participation in that meeting in those discussions. We were granted the ability to send staff there and my Assistant Deputy Minister — yes, Tom Pringle — went to Calgary to discuss this very matter.

During that meeting it was confirmed that we were not eligible for the program. We made the proposition that had we been eligible, even in the most severest areas, could we have used that money to implement a province-wide — would they pay for part of the setting up of the program of a province-wide feed security program. After a number of negotiating sessions, that was agreed to. I have to give credit where credit is due.

The Federal Government in fact did not have to put any money into Manitoba into the drought assistance program based on the criteria that was established. They did provide assistance, and I give them credit, based on the area that had the criteria been modified, there would have been a payout of somewhere in the neighbourhood of .25 million based on the number of animals there had the areas been eligible.

I regret I made the error in saying that they were eligible. My staff corrected me. We were initially not eligible for any support. They did agree to provide that cost-sharing to set up the feed security program and that's how we came into having a province-wide feed security program I would say several years ahead of schedule in terms of the program.

Presently, I share some of the concerns that the honourable member has mentioned about coverages dropping in terms of the feed security program because we are working, as I understand it, from a seven-year data base.

Mr. Chairman, he talks about areas where severe grasshopper infestation has been and making it very difficult. The honourable member should be standing up here today and saying I support a province-wide premium and the blending of premiums because those

farmers would have received a double lend. They would have had the losses and they would have had premiums that would have gone right through the ceiling had there not been a province-wide premium under the feed security program.

This is the way we have been able to keep premiums down at a more acceptable level, precisely dealing with the kind of situation that the Honourable Member for Arthur has raised. It's only because there is a basis of calculating premiums on a province-wide basis that we have in fact been able to keep premiums as low as they were. Otherwise, Mr. Chairman, there wouldn't have been a 10 and 12 percent premium; they would have been way up there, if not 20-or-more percent premium, had we done it on a municipality basis as the coverage area is on the municipal basis.

So, Mr. Chairman, I believe that my honourable friend should be in fact saying yes, well, I may not like the increase in premiums that were absorbed and had to be absorbed by all of the participants in the program; but I can tell you, had it been on a risk area or on a smaller basis in terms of calculating for losses, the premiums would have been substantially more if not in some cases twice as much or even higher.

MR. J. DOWNEY: Mr. Chairman, I ask a question of numbers of people involved in the program, and he can get that for me at a time of his convenience — I would like it before too long.

As well as the sharing of an equalized premium on the feed security program, are those same producers sharing on the same equalized coverage on a per tonne basis? Is that as well — I ask this specific question of those people who have been in the extreme drought conditions and heavy infestation of grasshoppers or, in some cases, flood conditions over the past seven years — is he using that specific area to determine their level of coverage, their tonnage per acre, or is he using the provincial average as far as the minimum coverage if they are allowed to be able to buy?

HON. B. URUSKI: Mr. Chairman, I wish to advise my honourable friend that there are virtually 4,000 contracts under the feed security program province-wide.

I want to advise my honourable friend that although there is a province-wide premium, the same premium per dollar of coverage, there is a difference in terms of the productivity of an area as I've always said when it comes to the blending of premiums, that the same premium will not be there for Class 1 soils and productivity of soils versus Class 5 soils and productivity soils. You can't have that same dollar amount of premium. The premium per dollars of coverage is the same regardless of where it is in the province, but the actual coverage varies with the productivity of the area.

Mr. Chairman, I wish to add that 52 percent of the cow herd, the beef cows, the 4,000 contracts cover approximately 52 percent of the beef cows in the Province of Manitoba.

MR. CHAIRMAN: The Member for Virden.

MR. G. FINDLAY: The Minister wanted to reply on a statement to the Member for Roblin-Russell. Now would be the time.

Tuesday, 10 June, 1986

HON. B. URUSKI: The Member for Roblin-Russell raised the question and wanted to have the information on the discount policy, or the surcharge policy, because it's both. It is not only a discount; it's also a surcharge.

Starting with the 1986 crop year, and subject to the grandfather clause — the grandfather clause is basically those who have the maximum or have earned a maximum discount will not lose their discount until such a time as they have a claim and call on the corporation to make payout — the procedure will be used to calculate the discount or the surcharge.

A loss-free year, any year in which premium contributions by an insured exceeds indemnities collected by that insured in that year, that's a loss-free year; and a loss year is any year in which the indemnities collected by an insured exceeds premium contributions by the same insured in that year. At any point in time, an insured will have a net accumulation of loss for years — this could be either a positive or a negative value.

Mr. Chairman, rather than reading it into the record, I think there is a table involved and I suggest that one of the Pages take this table over to my honourable friend so he can have the full information for himself because reading those numbers into the record, it will be meaningless to him. I may as well provide him with the table and he will have the information — to the Member for Roblin-Russell.

MR. CHAIRMAN: The Member for La Verendrye.

MR. H. PANKRATZ: Thank you, Mr. Chairman.

I want to ask the Minister, in your crop insurance, do you have calculated any amount of profit to a product in any kind of premium when you pay out — whether it is your wheat or whatever it is — or is it totally on the cost of production?

HON. B. URUSKI: I think I know what the honourable member is getting at. If I understand you correctly, you're asking whether or not in that dollar-per-bushel coverage, there is a return to the producer for profit basically for his labours and the like. Mr. Chairman, the setting of dollar-per-bushel values — in fact, we had a discussion the other night with the Member for Pembina — the corporation sets the value per bushel usually about August for next year's dollar per bushel, so it's set well in advance, and it is set generally. There have been occasions when wheat prices or grain prices were very high in relationship to cash costs — the complaint has come in that you don't even cover all our costs of production.

The relationship between the dollar-per-bushel coverage and the market price, we have attempted to at least cover cash costs, but I venture to say, with the depression in the grain industry, if costs keep rising because they do — we try to protect at least the cash costs. There may be sometimes in the history, depending on market prices, that we will cover more than cash costs, but that's what we try and do.

Basically the program attempts to do two things. It covers the bushel coverage, a certain amount of bushels per acre guarantees a farmer bushels per acre; and does guarantee a certain dollar amount per bushel in terms of the coverage there, but not always will it, as

is the case now. I don't believe that the coverage in fact gives the producer any kind of a return, based on the dollar-per-bushel coverage.

MR. H. PANKRATZ: Mr. Chairman, in view of the statement exactly what the Minister made now, that basically there isn't a profit figure calculated, which I realize there isn't — at least that's how it has been explained to me — we have certain agricultural commodities which have a profit figure figured in. Let's, for instance, use the Egg Marketing Board or Turkey Board or any of those, which, at the expense of the farmer, of the cheap prices, are gaining and the consumer of Manitoba — it's basically their insurance. We've got different kinds of insurance policies going into place where the Province of Manitoba doesn't put in one dollar and this crop insurance is one of them, which he indicated.

HON. B. URUSKI: Pardon me?

MR. H. PANKRATZ: In this crop insurance, basically the Manitoba Government doesn't put in a dollar. They just administrate the plan. — (Interjection) — Well, that's what you explained the other night.

HON. B. URUSKI: \$4.7 million.

MR. H. PANKRATZ: You indicated, the way I understood you, that was just for administration.

HON. B. URUSKI: Someone's got to pay for it.

MR. H. PANKRATZ: Well, yes, that's right, but it's the Federal Government that's equalizing the producer, isn't that right?

HON. B. URUSKI: In premiums.

MR. H. PANKRATZ: In premiums, thank you. I'm just wondering how this Minister will try to correct this injustice when, in one sense, he's taxing agricultural land education tax, at the same time the wheat prices are so low; whereas these producer boards, for instance, turkeys or eggs or whatever, have a profit figure figured into them and they're using this same product which is grown at a loss in the province.

How can this Minister correct this injustice that in one case the consumer of Manitoba is basically paying for the insurance, and in other commodities, the Federal Government, where he does not want to have any cost figure or a profit figure calculated into the insurance at all?

HON. B. URUSKI: I will take the honourable member's comments and I will extend them one step. I ask my honourable friend whether he is prepared to go on record and say, yes, I now want to support production controls, because basically if we take his argument as he has put it forward, he is saying that in the supply-managed areas, in the dairy, in the poultry areas, the producers there are guaranteed a return on their investment. But in return for that guarantee, they then have to manage their supply. They cannot overproduce. They cannot dump on the market. They have to —

(Interjection) — Pardon me? Well, we'll get into that discussion a little later on, but basically the honourable member is making a pitch for production controls. Maybe he's not; maybe he didn't realize what he was saying. If, in fact, producers want to say, no, we're going to get and receive our cost of production, and I guess that's where the question about jurisdiction lies, Mr. Chairman.

In the supply-managed commodities, the producers of those supply-managed commodities have negotiated and have agreed a national basis, sanctioned by the provincial governments and the national government, that they can go into supply management, and if they exceed that supply, they pay dearly as in the question of eggs and unregulated product. The producers of the regulated product have to pay a dear penalty for the overproduction of the regulated product, so there are sanctions placed on those producers of the regulated product.

But I want to tell my honourable friend that consumers do benefit on the production of regulated commodity, of the products that have been produced by marketing boards in this country. The increase in price to consumers has been the least of all products they purchase on the store shelf, and that has been from commodities produced by marketing boards. There is no doubt about that, and I am the first to stand up here and defend the orderly marketing system.

But I think my honourable friend should say, hey, my colleagues in Ottawa do in fact have the strings when it comes to stabilization or income stability to guarantee the farmer a rate of return on his investment, or at least a dollar amount because crop insurance basically covers lost bushels. That's basically what the Crop Insurance Program is.

But the Grain Stabilization Program can in fact — depending on what level you wish to trigger the support — produce that return for labour and investment on land and other costs associated with the total production cost of that commodity. I have no difficulty with what the honourable member is saying, but I am sure that the producers of beef, pork, and grain, at least some of them, would have some question as to whether or not they would want to go into a system of saying, we will now manage our supplies totally and we will produce what the market will bear.

I'm not sure that we could do it in grain to the degree that it may be possible. I think we're doing it in terms of domestic consumption on wheat, in terms of saying that the domestic consumption of wheat should be at the farmer's cost of production and that is between \$10 and \$11 per bushel, as we attribute the costs in our province, or in Western Canada in any event. That would be the kind of relationship that we would have in terms of grain production and a producer's return. But we are not at that stage and I'm not sure the honourable member is advocating that. I know he would like to — and I would like to — see that kind of Utopia but I think it will be a while in coming, Mr. Chairman.

MR. H. PANKRATZ: Mr. Chairman, I have to make a correction to the Minister. When he says that it has cost the marketing board producers dearly, because it hasn't cost them anything, and I want that to be on the record because that's passed onto the consumer

in this province and that insurance is with it. I want to make that very clear to this Minister before I sit down because I've heard him make a full circle many a time — the other night and today as well — in regard to this insurance. What I'm after is that this insurance that the producer gets, and that the agricultural sector gets, they need an insurance which is more than just the cost, like you have built in in your other programs which is passed on to the producer, to the consumer in this Province of Manitoba. The producer of these boards, none of them has cost a dollar because it has always been figured into the cost, so I want that to be straight for the record for the Minister.

I still have to come back to the same point, that there is a great injustice in this province and you, as the elected government, have a responsibility. You are making use, or certain boards are making use, of the cheap food produced which is being subsidized and, at the same time, you're not prepared to reduce the cost of producing it. I think it's about time that the Minister came to realize the injustice that we have in this crop insurance, as well, because the crop insurance should guarantee the producer a return.

I want to go one step farther while I'm on my feet, Mr. Chairman, and I want to relate it to a different He was talking of going and attending meetings. He never attended the sugar beet meeting in Alberta; he never went to Ottawa to the meeting. The Federal Government wants to introduce a plan right today in regard to sugar beets, and where is our Minister today? I'd like him to speak up on that and I want him to take a position on that. I think this is disgraceful how the agricultural sector is being treated by the Minister of Agriculture.

HON. B. URUSKI: Mr. Chairman, I won't comment on the sugar beet question because I know the honourable member is a new member to this House and I'm sure that he will want to have extensive debate on this issue. If he looks into his Estimate's Book on Page 14, Resolution No. 8, that deals with sugar beet growers, I would be transgressing. I don't mind getting into the debate, I can assure my honourable friend. He knows very well that I don't shirk or move away from the debate and we'll deal with the meeting question. I just wanted to say briefly, Mr. Chairman, what the honourable member is saying is not at all accurate in terms of what has transpired.

However, Mr. Chairman, today we have the Honourable Member for La Verendrye suggesting that, in terms of crop insurance, we should be increasing the dollar amount per bushel of coverage, to return the cost of production to producers. Mr. Chairman, just the other night, the Member for Pembina, his own colleague, argued and said that we're into a difficulty. We now are insuring canola for a dollar per bushel amount higher than the market price, and that's going to create a problem because that's what the Member for Pembina said, "It's going to create a problem". Farmers will say, "Look, I want to have that greater amount. Marketplace didn't give me what I'm insured for. I'm insured for X-number of dollars per acre, because if you multiply the amount of bushels of insurance coverage by the dollar amount, and that may exceed the market price, pay me the difference because

the market didn't give it to me." Mr. Chairman, his own colleague said, "Hey, you are now going way above your mandate. You have gone too far in terms of providing the kind of coverage for the canola producers and you've gone way above board."

Mr. Chairman, I sympathize with my honourable friend in wanting to provide a better income for the producers of this province. I share that concern with him. But, Mr. Chairman, we cannot use and we should not use the Crop Insurance Program as a substitute for income stability or income instability to our farmers.

What my honourable friend should be saying is should there be a system? I don't know whether he's attacking, or he's in favour, maybe I didn't catch his vibes very clearly, the orderly marketing system of marketing boards. That system does have its limitations, it has its pluses in terms of producers in income, it does have its limitations by the questions that I get from my honourable colleague, everybody wants to get into the act when the prices stabilize.

I just refer my honourable friend to the egg industry, which he commented on. In the late 60's, Mr. Chairman, the egg industry was going bankrupt in this country because prices were too low, everybody was getting out of egg production. The only way they brought stability in is to bring in supply management.

Mr. Chairman, I know that I would be prepared to go on, and I share the general comments of my honourable friend about instability but, Mr. Chairman, we should be using the Western Grain Stabilization Plan for the income and stability and improving that for grain farmers, and not the Crop Insurance Program.

MR. CHAIRMAN: As members have been advised, Her Honour the Lieutenant-Governor is expected in the House at about 4:20 p.m. to give Royal Assent to Bill No. 13, The Loan Act, 1986.

I'm, therefore, interrupting the proceedings of the committee now for the Royal Assent and for the Private Members' Hour which will follow immediately thereafter. The Committee will resume its proceedings at 8:00 p.m. this evening.

Call in the Speaker.

ROYAL ASSENT

DEPUTY SERGEANT-AT-ARMS, Mr. A. Roy MacGillivray: Her Honour the Lieutenant-Governor.

Her Honour, Pearl McGonigal, Lieutenant-Governor of the Province of Manitoba, having entered the House and being seated on the Throne:

Madam Speaker addressed Her Honour in the following words:

MADAM SPEAKER: May it please Your Honour:

We, Her Majesty's most dutiful and faithful subjects, the Legislative Assembly of Manitoba in Session assembled, approach Your Honour with sentiments of unfeigned devotion and loyalty to Her Majesty's person and Government, and beg for Your Honour the acceptance of this Bill:

Bill No. 13 — An Act to Authorize the Expenditure of Money for Capital Purposes and Authorize the

Borrowing of the Same ("The Loan Act, 1986"); Loi autorisant des dépenses en capital et l'emprunt des sommes requises à cette fin (Loi d'emprunt de 1986).

MR. CLERK, W. Remnant: Her Honour, the Lieutenant-Governor, doth thank Her Majesty's dutiful and loyal subjects, accepts their benevolence and assents to this Bill in Her Majesty's name.

Her Honour was then pleased to retire.

IN SESSION

MADAM SPEAKER: Is it the will of the House to call it 4:30? (Agreed)

PRIVATE MEMBERS' BUSINESS

MADAM SPEAKER: Private Members' Business, Debate on Second Reading, Bill No. 6.
The Honourable Minister of Labour.

HON. A. MACKLING: Stand.

PROPOSED RESOLUTIONS

RES. NO. 4 — CHARLESWOOD SERVICES AND TAXATION LEVELS

MADAM SPEAKER: The Honourable Member for Charleswood.

MR. J. ERNST: Thank you, Madam Speaker.

It is moved by myself, and seconded by the Member for Assiniboia, that

WHEREAS the R.M. of Charleswood was created in 1912 by subdivision from the R.M. of Assiniboia; and WHEREAS the R.M. of Charleswood was primarily an agricultural area with a very small population prior to the end of World War II; and

WHEREAS the initial residential growth in the R.M. of Charleswood occurred after the War, with the Veterans' Land Act creating large lot subdivisions; and WHEREAS little residential growth beyond that came until the latter 1960's with the development of the independent subdivision of Westdale; and

WHEREAS the NDP Government of Manitoba embraced notions of property tax savings and municipal harmony by creating Unicity; and

WHEREAS the NDP Government of Manitoba enacted Bill 36 in July 1971, known as The City of Winnipeg Act, which forced the amalgamation of municipalities surrounding Winnipeg with that city; and

WHEREAS the R.M. of Charleswood was one of those municipalities forced into amalgamation with Winnipeg municipalities by the NDP Government of Manitoba; and

WHEREAS the physical infrastructure of the R.M. of Charleswood, at the time of amalgamation, was considerably less advanced than the other major municipalities forced into amalgamation; and

WHEREAS the R.M. of Charleswood, at the time of being forced into amalgamation, was primarily a rural village more than an urban centre; and

WHEREAS the NDP Government of Manitoba gave no consideration to these major differences in the R.M. of Charleswood in the amalgamation process; and

WHEREAS by ignoring these major differences and proceeding with amalgamation, the NDP Government of Manitoba caused great financial hardships to be brought on the residents of Charleswood by rapidly escalating realty taxes from which little benefit was derived; and

WHEREAS these financial hardships forced many large lot owners to dispose of portions of their lands in order to lower their tax burden, and to keep from being forced out of their homes; and

WHEREAS the principal market for disposal of these lands was for residential purposes; and

WHEREAS since being forced into amalgamation with Winnipeg, the population of Charleswood has doubled, along with a corresponding or greater increase in vehicular traffic; and

WHEREAS the rural-type of gravel roads, which were quite satisfactory for the needs of Charleswood prior to being forced into Unicity by the Provincial Government, can no longer meet the needs of today's traffic; and

WHEREAS the costs of installing urban-type services are beyond the means of many of the ratepayers of Charleswood to pay on their own, and it is inequitable that they be obliged to do so; and

WHEREAS the City of Winnipeg has neither the resources nor the mandate to undertake these actions at its own expense; and

WHEREAS this and prior NDP Governments have created this intolerable situation, and allowed it to exist for 14 years without any remedial action, or a made-in-Manitoba solution.

THEREFORE BE IT RESOLVED that this Assembly recommend that the Government consider undertaking immediate negotiations with the City of Winnipeg to resolve this most serious problem and to provide a solution after these 14 years of neglect.

Thank you, Madam Speaker.

MOTION presented.

MADAM SPEAKER: The Honourable Member for Charleswood.

MR. J. ERNST: Thank you, Madam Speaker.

The resolution or the "WHEREAS" introduction portion of the resolution cite a relative history of the R.M. of Charleswood. It started in 1912 with its subdivision from the R.M. of Assiniboia which was a very large rural municipality at that time. The community was primarily agricultural in nature. I think, prior to the start of World War II, there were 750 residents of that community.

With the return of our forces from overseas after the Second World War, there was a housing shortage in the greater Winnipeg area. That housing shortage was in part met by the Department of Veterans Affairs of the Federal Government by creating large lot, rural-type subdivisions in the Charleswood district. What had happened was that the R.M., in conjunction with the Department of Veterans Affairs, created one-acre lots which veterans could purchase under a special grant from the Veterans Land Act.

Those one-acre subdivided lots were serviced with water only; there was no sewer, no storm sewer, and on a gravel road system.

The additional development in Charleswood, Madam Speaker, occurred sometime in the late 1960's with the development of the subdivision of Westdale near the Perimeter Highway. That was the first major new subdivision for Charleswood, other than these large lot subdivisions and some original holdings. That sparked the boom in development in that area and, as a result, it has mushroomed since that time.

More importantly, Madam Speaker, the advent of Unicity in 1971, where the community of Charleswood was obliged to join into the new Unicity concept, caused some significant problems and I think, Madam Speaker, the Government of the Day did not recognize the significant differences there were in the Charleswood community as opposed to the other municipalities which were being joined together.

For instance, if you consider the former City of St. James, the former City of East Kildonan, the former City of St. Boniface, the former City of St. Vital, the former City of Transcona — all of those communities had major pipe services installed in the ground, had concrete roads for the most part, although admittedly there were some areas of each that did not have those facilities, but certainly were far more advanced in terms of the urban services that we normally find in major centres, than was the community of Charleswood.

Charleswood was far behind. It had a volunteer fire department. It had an RCMP rural detachment police department. It functioned quite similarly to many small towns in rural Manitoba, as opposed to the major centres that surrounded the former City of Winnipeg.

By joining the City of Winnipeg, that community, of course, received additional services, if you will, or urban-type services that had been found in the balance of the city, once everything was poured into the same pot and services were distributed on a more or less equal basis. Notwithstanding the fact that those soft services were provided on an equal basis, the fact of the matter was that the community was still faced with the problem of gravel roads, ditch drainage, and limited sewer service in that community.

Notwithstanding that, of course, tax equalization took place along with Unicity, so that the taxes right across the whole of the city were raised to the same level of mill rate and everybody paid, based on their assessment, the same municipal taxes.

With that occurring, Madam Speaker, and with the fact that now these people were sitting with rather large lots but faced with urban-type tax costs, there was a major problem. What were they going to do? Many of those people now and in the 1970's, having been there for 20 or 25 years having returned from the war, were approaching their retirement years. Many of them had completed their work time and were looking forward to their retirement and now were faced with the situation of how they were going to meet these increased costs of taxes as a result of the amalgamation.

Many of them could not and, simply, they subdivided their land. Some of them sold their property altogether. Others divided it in half or smaller portions in order to recover, firstly, an additional cash benefit to them, certainly, but secondly to reduce their operating costs, to reduce the costs, Madam Speaker, that they were incurring on an annualized basis with increased taxes.

With that subdivision, and given the current zoning by-laws and the current use of the land, there appeared

to be no other method for them to subdivide than into additional single-family residential lots, and that occurred. But along with that came additional traffic; came additional cars relating to those new houses; came new subdivisions now on an urban-service basis in the land behind the land that was located along those gravel roads. So that the new subdivisions located in the hinterland were, in fact, fully serviced with concrete roads, etc., but the traffic dumped onto existing gravel roads, which were expected to act as collector streets.

Madam Speaker, with that kind of problem arising, it is no wonder that these roadways did not stand up to the kind of beating that they were taking with these additional cars and trucks on them. As well, the gravel roads were never intended to take large concrete trucks; trucks making deliveries of lumber and brick and other building materials that are very heavy in nature. These roads were never intended to carry the weights of those vehicles. With all of the construction that was going on and the new housing boom and so on that was taking place, all of this traffic was going up and down these roads and quite frankly, Madam Speaker, they deteriorated rather rapidly as a result.

None of these things were considered at the time that Unicity was brought into being. Charleswood was simply lumped in with the rest of the area municipalities that were joined together to form Unicity. The Government of the Day did not recognize the significant differences that existed in Charleswood. There were some additional tax benefits on a phased-in basis over a period of a couple of years, over the first three years, I believe, of Unicity, Madam Speaker, but that was the same for all municipalities. It was not related strictly to Charleswood. So there was no recognition of the problems that existed there.

Madam Speaker, this motion attempts to see that rectified; attempts to see today's government look at this particular problem with the City of Winnipeg, to sit down and negotiate an arrangement whereby some funding can come forward over a phased-in period of time that will see a partnership take place, a partnership between the city, the Provincial Government, and the residents of Charleswood to resolve a problem that appears to have no resolution at the present time. It appears that there isn't any real method of getting down to the nitty-gritty of solving this problem.

It's not a question of who's to blame or anything else. The fact of the matter is that it needs to be resolved; it needs to be resolved soon and, Madam Speaker, the only way that I can see that it's going to get resolved is that the government, the city, and the taxpayers of Charleswood get together, work out an arrangement, and then get on with the job.

Thank you very much.

MADAM SPEAKER: The Honourable Member for Assiniboia.

MR. R. NORDMAN: Madam Speaker, I am pleased to join in the debate here on this bill and support the Member for Charleswood on his motion.

I remember Charleswood as rather a rural area. I go back into the Forties when there was nothing out there except a few farms and, as the Member for Charleswood said, the population of the area was maybe in the vicinity

of 500 to 750 people. If they were lucky, they would have that many. It wasn't, again, until after World War II, when the Veterans' Land Act became into being and offered the lots, one-acre and two-acre lots to veterans and they move out there in droves.

I can remember going out — there was no Grant Avenue at that time, there was Roblin Boulevard and it was as crooked as can be. I guess it actually followed the Assiniboine River coming through Charleswood.

In the mid-Sixties, I guess it was Winnipeg Supply who were the developers in Assiniboia of Westwood. They ran out of lots there and I guess their next move was to move across the river and into Charleswood and the community of Westdale was formed. After that, it just kept growing.

Then with the amalgamation of the City of Winnipeg came more development, more roads, more everything, more traffic and more taxes, as an example of the taxes, how they grew. I don't imagine it is any different in St. Boniface or any other part of the Greater City of Winnipeg. We had tax benefits in St. Boniface, St. James-Assiniboia, East Kildonan and West Kildonan that the people probably in the central portion of the city didn't have. I think this was the objective of the NDP Government of the Day, was to make things maybe a little more evened out.

I know the house that my wife and I bought in 1962 in Westwood, which is in Assiniboia, I think our taxes for the first year were \$280, if it was even that much; the next year it escalated a little bit, but it wasn't until 1971, '72 and '73, after we became Unicity, that the taxes doubled and doubled and doubled again. To this day, the taxes on that same home that we originally bought in 1962 is in around the \$2,000 mark today.

Another inequity that I foresee, and it has happened in Charleswood as well, is the development of South Headingley, as the development of North Headingley where the taxation is equivalent basically to what it is in Crestview and in Westdale. Yet, the people still have to haul their water in, haul their sewage out and, if they have a bus running into Headingley — I'm not sure if they have a bus running into Headingley South, I do know that they have a bus running into Headingley North now on a very very limited basis.

So, this motion, or resolution, I think, is only an attempt to fair things up. I am very happy to be seconding the resolution.

MADAM SPEAKER: The Honourable Member for Inkster.

MR. D. SCOTT: I'll pass for the other member to go first.

MADAM SPEAKER: The Honourable Member for Ellice.

MR. H. SMITH: This resolution is really fairly absurd. First of all, let me tell you, Madam Speaker, that the city council of Winnipeg have rejected the idea that Charleswood should have special treatment. You know, I can sympathize with the people in that neighbourhood: the fact that they have dusty roads; the fact that city council has extended the suburban sprawl to where the roads have to carry more people.

One can sympathize with them but, at the same time, a resolution like this with all these whereas, WHEREAS the R.M. of Charlewood was created in 1912. You know, I mean, I could add a few whereas too. WHEREAS Charleswood has the highest number of dogs per thousand people. You know, they're not related to exactly what the member for Charleswood really wants. Yes, they damage the telephone poles, or I could say that WHEREAS the number of high dogs in the area that they also use the roads and create traffic congestion. There are all types of things you can say, but should you not say things that are relevant so that your therefores become mandatory, a feeling of compulsion that you have to have something done, instead of these whereas that mean very very little, and some are not even correct, as has been pointed out by the member below me here. I couldn't resist that.

Now, the installation of urban services, you know, there is a procedure at City Hall to do this, paving of roadways and so forth falls on the property owner in the district. People in every other part of the city have to pay, and I see no reason why there should be an exception for people in Charleswood. Why should we treat them, in effect, differently than we treat people in other parts of the city, except for the fact that the Honourable Member for Charleswood represents the area. I don't think that's a real plus or an incentive for us to get special treatment for this area, especially since the problem was largely created by him, by that member.

On city council, he chaired the Executive Policy Committee. He supported suburban sprawl. So we are, in effect, enlarging the city all the time, creating new schools, new fire halls, new libraries and we're closing down ones in the inner city. So, in effect, the problem has been created by the Conservatives at City Hall.

If you notice in this resolution, at the very end it says, "provide a solution after these 14 years of neglect." Now during those 14 years of neglect, by the way, you were the Executive Policy Committee chairman while we had a Conservative Premier, Sterling Lyon, and still nothing was done. Nothing was done because it was wrong to do anything at that point, to be fair to the whole citizens of Winnipeg and the citizens of Manitoba. That's right, too, and it was Sterling's constituency. Why do you expect us to act when you fail to act during those years?

Then there is also the whole question of the federal cutbacks, the squeeze is on. You know, obviously we have to go ahead and finance some of the things that the Federal Government has failed to finance adequately. So, obviously, you can't let health care and education go by the wayside. What would you suggest, I suggested to the Member for Charleswood? Obviously, you have to do something and the priorities must be established and followed.

Members of your group talk about the ball and chain around every Manitoban's neck, the debt load is so high, and yet you're calling for more services that we don't provide other people throughout the City of Winnipeg or the Province of Manitoba.

MADAM SPEAKER: Order please, order please. Can the honourable member please refrain from addressing members personally and address his remarks through the Chair?

MR. H. SMITH: Well, I'm just not used to addressing the member, period.

But the 14 years of neglect really are 14 years of neglect at the civic level. It's the city's responsibility and, by the way, it's not just Charleswood they're neglecting, they're neglecting every part of the city. You know, one of the things they always talk about is that they say they repair the roads as need be done, that they rate the roads and the worst roads get repaired. The fact is they have, and it'll take them 10 years probably to rate all the roads in Winnipeg. Many roads in my neighbourhood and other ridings are just as bad as some of the roads in Charleswood. That is true, and it seems to me that maintaining the existing neighbourhoods is a prime responsibility of the civic government and of our government, rather than expanding the city and thus making demands higher on the actual roads in Charleswood, and thus worsen the situation itself.

By the way, taxes are also — one says, what is one getting from taxes? Yesterday we had one on assessments. You know I think that when the Mayor of the City of Winnipeg talks about cushioning the effect on the people in the suburbs, he's really talking about the people in the inner city paying way more than they should for the equivalent size lot and paying for a longer period of time. So, it really isn't fair.

By the way, I should point out, too, that many of these people in Charleswood have chosen Charleswood with the conditions that exist there. They want the dust, they want the rural sort of style of living, and they've chosen to go there and now that they're there, they're demanding more and more services, and they're not even demanding from the Civic Government, they're demanding from the province.

Now, you have to remember, I'm sympathetic with people who have a tough time with not getting adequate services from the city, and they haven't got adequate help in the city. Obviously Charleswood needs help, it needs better roads, but it should not be coming here. It should be, in effect, decided in a priority at the civic level and that's where it should be done.

So, in all justice, in all fairness, I don't think this resolution should be supported.

MADAM SPEAKER: The Honourable Member for Inkster.

MR. D. SCOTT: Thank you, Madam Speaker.

Madam Speaker, I find it somewhat interesting for this resolution to be coming forward, especially as detailed as it is. I think the Member for Charleswood is doing a service to his constituents and acting on their behalf, as their MLA, to try and pressure the Province of Manitoba towards moving in a direction, when he essentially moved in exactly the opposite direction in all of his years in City Council.

We have this constantly from members of the Opposition, wanting to have things both ways. They want us to cut hundreds of millions of dollars worth of government expenditures, at the same time that they're calling constantly through the Estimates process for more money. The Minister of Highways is a classic example of what's going on in his Estimates and the Minister of Agriculture, the same sort of thing. They

Tuesday, 10 June, 1986

want to reduce the deficit and spend more money and they want to cut taxes at the same time. Their words seldom are terribly consistent.

I feel that this resolution, coming from a person who was a deputy mayor, a Chairman of EPC, a long-time city councillor — a very distinguished city councillor, I must add. I respect him tremendously for what he was able to accomplish on City Council. I don't think it was necessarily to the benefit of the people of the City of Winnipeg, but I give him credit for his ability and his skills to push his ideas through, regardless of what impact it had on some people in the city. Correct me if I'm wrong, but I believe he was a Chairman of EPC back in 1979, were you not? — (Interjection) — No? Okay, excuse me. Were you on EPC in 1979? — (Interjection) — Yeah, he was the deputy mayor just before the election.

But this by-law that the residents in Charleswood objected so strenuously to was passed in 1979, that took away the regular maintenance of the gravel roads, which are extensive in Charleswood. They have a major portion of the gravel road system that's within the City of Winnipeg's boundaries. By a conscientious decision of the City Council in 1979 and of successive City Councils all the way through, they refused to go back to make an amendment and return to the residents of Charleswood the services that were provided for them in their basic tax structure.

What they did, Madam Speaker, for the maintenance of gravel roads — I'm not sure of the exact phrase — but it was to maintain a minimum level of condition of the gravel roads in Charleswood, the city would pay; but for any kinds of improvements and for regular maintenance, to keep it up to a satisfactory standard — and that is done virtually on an annual basis in Charleswood — that that would be added to the tax bills of the people of Charleswood specifically by an additional assessment on their properties and their properties are large. They have large frontages and going back in some history — not going back to 1912 necessarily — but even post-war, there were an awful lot of five-acre lots distributed there for the veterans when they came home.

A lot of people chose to live in Charleswood because of its very pleasant surroundings, its amenities; its amenities of living in proximity to a major city and yet living in a rural setting; a wooded, rural setting with lots of mosquitoes in the springtime; with the inherent flooding problems that they have in the springtime. The original people there, most of them accepted that as a condition of choosing to live where they bought their properties and where they made a conscientious decision to move to that section of the city, recognizing that the services would not be up to snuff compared to what people have in the Inner City or the closer part of the city proper, if I may call it that.

I think part of the difficulties — and I share the concern the Member for Charleswood and members on our side have already expressed towards the long-time residents of the Charleswood area of the city, because these people bought their properties expecting to have them maintained, at least their road structures, and without having the sewer systems at a basic level of service.

But what is now happening, I've learned from talking with several people from Charleswood — especially

just a couple of weeks ago, when I had the honour to represent the province at the Roblin Community Club which put on really quite a well organized opening for the expansion of their community centre. I would recommend all members of the House to go by and have a look at what the residents of that particular community has done, as far as adding to their community infrastructure, after starting out with an old railway car. Now they probably have one of the nicest community centres in the whole city. It was financed somewhat by the city, by the province somewhat as well; but to a very large extent by the residents going around and getting commitments from one another towards making this major improvement to the centre.

But people there told me — and I have several friends; I curled from time to time at the Charleswood Club as well — that they have a great deal of frustration in having more and more new people moving into the area who are used to the high level of services they grew up with in the other parts of the City of Winnipeg. They are now moving in and don't want the open ditches. They want the storm sewer systems, which I think in some ways need it now, because of the city's conscientious decision to go ahead and cooperate with the developers to put in far more intensive developments in the Charleswood area as well. That is increasing the traffic on the roads and increasing the wear and tear on the roads. It is building up so that they can no longer use septic systems to the extent that they were able to previously, because the lots are getting smaller and smaller, much more pressure on them. They are needing the sewer systems going through, but it's not going to necessarily be of very great benefit to a lot of the older areas of Charleswood, as much as it is to the new areas which are going to be, once again, to some extent, assisted and subsidized by the overall taxpayers for more urban sprawl, because that's what we're getting into here as well, is the degree — the Member for Charleswood shakes his head and says I'm wrong. But I believe that the increase in the amount of development that has taken place in that area is having a fairly negative impact on the older residents of the community of Charleswood.

In 1979, the Member for Assiniboia — was he not on council in 1979 as well? Yes, he nods, and yet he gets up and speaks today, as a member who passed that by-law in 1979 on that council, to speak against that by-law here in the Legislature today and the principles of what that by-law did in transferring the operational costs of road maintenance, in particular, in a community over to the tax base of the residents of that community in particular.

So, Madam Speaker, there is a great deal of inconsistency in the members opposite of being on City Council and saying one thing, and coming into the Legislature and saying quite the opposite, in regard to the residents of Charleswood.

We've had the Charleswood Homeowners Association involved since 1981. I don't know how much involvement they had in this last election campaign. I would expect they would have been somewhat involved, and maybe that is where the Member for Charleswood had his turn of heart in relationship to the plight of the ratepayers in Charleswood. I am pleased to see he's had that change of heart, but I would beg of him to go back to some of his colleagues on city council who, I'm sure,

he still has a great deal of influence with, certainly on council. I don't think there is any doubt that he was, by far, the most influential member of council. As I said earlier, I give him credit for that, I respect his abilities to be able to influence people, and I would ask him to go back to those people again now and say that, gentlemen and ladies, we made a mistake in 1979 and we should be rectifying that and going back, doing away with that by-law and returning that element of services, at least within the regular budget of the taxes that are paid for by the residents of the City of Winnipeg for the maintenance of the streets within Charleswood. That would alleviate a fair degree the concerns of the people in Charleswood.

It would not necessarily rectify the problem, because there are going to have to be negotiations between the City of Winnipeg, in consultation with the residents of Charleswood and the Province of Manitoba — back in 1983, the Charleswood Homeowners' Association even tried to get the Federal Government's involvement. I don't know what luck they've had, I don't know what kind of influence the Member of Parliament for that area, Mr. McKenzie, I believe, if he has any influence at all on the federal treasury benches toward getting additional funding from the Government of Canada to come in and assist with the major rebuilding of the infrastructure in Charleswood.

I don't know how warmly received that would be by a lot of the ratepayers in Charleswood either. I can remember some public hearings being held just within the last year in Charleswood of people being vehemently opposed to the construction, I believe, of sewer mains in the area, because they were going to have it tacked onto their tax bill when they weren't necessarily needing the facilities in their minds. But that again is a conflict between the older residents of Charleswood and the newer residents of Charleswood. It's people going in with very different expectations of the level of services that one has in outlying areas of the city.

Madam Speaker, the Ratepayers Association in a letter written by Mary Foster to, I believe it's to, Metro One and also to the Winnipeg Sun, I guess, had called the by-law that they passed a discriminatory by-law, and had felt that one of the main impacts, and a demand for additional services, was the Community Committee, the City of Winnipeg Community Committee's continued, and I'll quote from her letter: "... sanctioning of new housing developments which funnel more traffic onto these dirt roads which were never meant to carry such traffic."

The Member for Charleswood earlier said that I was wrong, that it was urban development, urban sprawl, new developments, for bringing upon the necessity for these new services. The residents of the Homeowners' Association in Charleswood certainly felt that was a part of it, and they are far more conversant with what is happening in the community than I am.

I would ask him to look, once again, and to talk with Mrs. Foster and talk with other people in his community to try and get a reasonable resolve to the problem and going back and supporting the Charleswood residents before the Community Committee for changing this by-law. I would invite him to go back down to City Council with a group of citizens, which one can do, and make a presentation on behalf of his new constituents to change that by-law. There is nothing stopping him from doing that.

It would have more effect, I think, than to try and to offload a burden that he, and other members of this Legislature, put on the residents of Charleswood in 1979. To try and transfer that burden over from the City of Winnipeg to the province, I think, is not a valid exercise, and I don't really know how far it's going to go. I don't think it will go terribly far.

But there is consultation required between the various levels, the residents of Charleswood, between the Provincial Government and . . .

MADAM SPEAKER: Order please.

MR. D. SCOTT: . . . the City of Winnipeg, and I'm sure that the Provincial Government will give a very open ear, Madam Speaker, toward meetings, toward coming up with some sort of resolve for this problem. Thank you very much, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: Thank you, Madam Speaker.

There is a law in social science called Murphy's Law. It says that, if anything can go wrong, it will. Murphy also wrote a second law following his first law. The second says, things can go from bad to worse.

This is exactly what happened in Charleswood. There was this desire, on the part of the city, then in a position of authority, to respond to demands for housing developments and urban extensions and development far beyond the need for housing in the city as a whole in order to respond to those groups and forces in the environment.

I do not blame anybody, including the former Deputy Mayor, in his role as Deputy Mayor, when he participated in By-Law 26-1280 by which the city had revoked the road maintenance on gravel roads from general revenue, and transferred the cost of road maintenance to the homeowners themselves by way of local improvement.

We all participate in our role in the social structure, according to the role we play. If a person occupies one particular role in life, there are certain expectations in the community how we will behave. He will behave according to the role that he plays. When people change roles and they become an occupant of another social role with different demands, accordingly the behaviour will change. To expect consistency from one role to the next would be to expect the impossible.

So I sympathize with the member's position now in his role as representative in the constituency of Charleswood, but the real problem there was created, as I have said, by the suburban sprawl and development which is far beyond the demand for housing in the city. In a sense, this is kind of a serious game, given the limited resources of the city. The city is responsible for the maintenance of all the streets throughout the city. It is a municipal responsibility upon the city.

To the extent that the city would make decisions regarding suburban development, naturally it will dilute and suck away some money available for maintaining and upgrading the road-building in the older part of the city, including my own area of North End. In a sense, because it is a serious game, what you give to one, you have to subtract from the rest.

Therefore, when the development in suburban areas of the city is taking place far beyond the necessities for housing, naturally, the limited resources of the city have to be diverted from the needs for maintenance and road building in the older neighbourhoods in the city towards the newer suburban areas. This is not fair nor just to other members and residents of the city. It is simply not equitable that some neighbourhoods should suffer because some other areas have to develop. It is contrary to our basic ingredient of justice, man's notion of justice and fairness.

The concept of justice is so ingrained in human behaviour that it has to be observed in all our decision-making. One of the ingredients of the concept or notion of justice is that no one, even the humblest, should suffer any wrong. The second ingredient is that in so distributing the resources the public good has to be promoted for all.

If Charleswood should be given special treatment and the province should come to the aid of this particular community, and given the limited resources on a provincial scale, as well as limited resources on a city scale, it will result in more injustice to those who will be deprived and correspondingly upsets use of such resources. There is such a thing as opportunity costs.

Whenever we appropriate a particular amount of resources for one particular purpose to the extent that a particular purpose is satisfied, there is a corresponding reduction to the ability of the province or the city to satisfy equally legitimate needs of other groups in the community to the extent that the resources will be diverted and used for suburban development to the extent the older neighbourhoods are suffering accordingly and to that extent the notion of justice is being violated.

I say, therefore, that it will be wrong for the higher level of government to overrule the useful authority at the city level because this will be contrary to another principle which is the principle of local autonomy. The city has been granted its own charter, they have been given their measure of authority. Within the measure of the authority of the city, it should make decisions corresponding with its measure of responsibility. If the city so decided to allocate its resources for suburban development, then the city should correspondingly find ways and means of rectifying and correcting its own decisions. That is the only measure of responsibility that corresponds with its authority to make the decision.

I would like to think that some assistance can be given by the level of government. Even if the assistance is given, ultimately, it has to be borne by all the taxpayers from whom all those sources came from originally. Even if the province is paying for it, naturally, it will have to come from the taxpayers' money of all the people in the community, and no one particular preference should be given to any particular locality or area in the city at the expense of the older neighbourhoods in our City of Winnipeg.

The only explanation perhaps for the inner decay of the city is the excessive suburban development taking place in the outer perimeter areas in the suburban areas of our city. That is unfair to certain groups of neighbourhoods, particularly older areas in our community. It violates the basic notion of justice and fairness to everyone equally who are bearing the burden of expenses in order to improve the city in all the areas

to the extent, therefore, that some resources are being allocated to the benefit of certain areas to the extent there is a suffering corresponding injury being suffered by the older neighbourhoods in the province.

If you have to improve the City of Winnipeg, it has to be done in an equitable manner with equal allocation of resources according to need, and the inner area of the city should not be permitted to further decay in order that we may further develop the suburban perimeter areas of the city with any corresponding justification of housing needs or development.

In our making of decisions, whether at the provincial level or at the city level or at the federal level, there is nothing that works like wisdom, fairness and justice to everyone. There will be a point when it's strict justice to those who have particular needs at a specific point in time which will naturally result in a specific injury to those who will be deprived accordingly of those corresponding amounts of resources. Resources should be equitably distributed to all groups in the city, to all neighbourhoods, and this should be done in accordance with the municipal law which granted and vested in the City of Winnipeg the authority to make decisions and also the corresponding responsibility if the decision happens to be wrong.

In this particular case, if that by-law, which was By-law No. 2612/80, happened to be a wrong decision, then the city who makes the decision bears the corresponding responsibility to rectify its own mistake.

Moreover, the city cannot always run to the senior level of government whenever it runs into problems. It will be like a child who had declared its independence from his parents and yet whenever he runs into trouble he goes home to his parents and asks for more money the same way that the province should not always run to the Federal Government whenever it runs into trouble. What is good for the goose is good for the gander.

The city should be able to be mature enough to make appropriate decisions within the limits of its authority and to be able to accept responsibility accordingly, so much so the province is in the same category. The province has a certain limited area of jurisdiction within its own constitutional share of powers of government and, within the limits and parameters of those provincial powers, the province, as well as the city, should be able to exercise authority and accept responsibility accordingly.

Madam Speaker, I strongly object to any special treatment either of persons or of locality because that is a violation of the true notion of justice where justice requires that the law should apply equally to everyone and the resources should apply equally to everybody.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Minister of Urban Affairs.

HON. G. DOER: Thank you, Madam Speaker. The member speaking previously has talked about justice and the fact that we should have fairness across the City of Winnipeg and we should not talk about special treatment for one area.

I am quite curious, Madam Speaker, to know what kind of discussions go on in a caucus where a resolution is passed and proposed by the caucus, or forwarded

for information to the caucus and brought to this House, dealing with a specific area in the City of Winnipeg. Surely to God, other members of the caucus would provide some advice that there are other areas in the City of Winnipeg, Madam Speaker, that are also in the same situation as some residents of Charleswood.

What happened when the Member for Assiniboia was talking about the resolution for Charleswood and yet ignores that there are streets in his area that are still affected? There are areas in East Kildonan and Transcona, including areas of the Member for River East, there are areas in St. Boniface and St. Vital in the same situation, and yet no mention of the citizens of Riel and the services that the citizens of Riel should have. There is no dealings with the area of Fort Garry, which also has been affected. The member says amend it. Wait. There is no mention of Fort Garry and the streets in Fort Garry that have the same situation. — (Interjection) — As Waverley. Well, Waverley's a quick street.

The resolution, as the Member for Burrows has pointed out, the resolution only deals with one part of the City of Winnipeg. I want to look at this resolution, Madam Speaker. One could not go on in 15 minutes, or the allotted time in this House, on the problems with some of the WHEREAS's in this resolution. But one should remember — there are two that I would like to discuss.

The whole issue of municipalities being forced into Unicity by the NDP Government of Manitoba. Well, Madam Speaker, that proposal on Unicity was generally well accepted by the public of Winnipeg. One must remember the 1973 election; remember the 1973 election. Most of the population of Manitoba and, again, in the City of Winnipeg felt that the changes and advantages of Unicity outweighed the disadvantages.

Certainly, Madam Speaker, there are some unique characteristics of communities that we have tried to maintain in the City of Winnipeg and we should still continue to try and maintain the uniqueness and characters of separate communities within the Unicity structure. But certainly the situation where municipalities were fighting against municipalities to gain commercial enterprises to decrease their tax base; municipalities were competing with other municipalities in terms of services. Those kinds of things, Madam Speaker, and the improvements made by The City of Winnipeg Act, albeit not perfect and albeit that we still must continue to look at the characteristics of communities, characteristics such as the community of Transcona, such as the community of Charleswood, such as many of the communities in this city that add to the vitality of our city and at the same time maintaining the fairness in our city which was so essential under Unicity.

There is another WHEREAS, Madam Speaker, that I'd like to touch on briefly today. WHEREAS this and prior NDP Governments have created this intolerable situation which it has allowed to exist for 14 years . . .

Well, Madam Speaker, unfortunately the NDP Government has not been in office for those full 14 years. There has been another government in office,

another government, Madam Speaker, led in a very very strong way, a strong way by the former Member for Charleswood, who was then the former Premier of the province. This situation, Madam Speaker, started to percolate and develop from the citizens in Charleswood. In fact, the City of Winnipeg dealt with it in 1979 at one of its city hall meetings when the Member for Charleswood was a very powerful force in the City of Winnipeg, pre-Deputy Mayor days, but still a very powerful force within the City of Winnipeg, when the former Urban Affairs Minister was the then, as I believe — the present Member for St. Norbert, then Osborne, and the former Member for Charleswood was the Premier.

Also, we should point out that the former city councillor for the area was the campaign manager, I believe, of the Member for Charleswood, Mr. Moore.

This group of people, with all the power that they had, did not see fit to solve this alleged problem in a preferential way, which is suggested by the WHEREAS's and by the RESOLVED in the resolution from the Member for Charleswood.

In fact, the government took no action in this area and took no action in a preferential way to solve the problem as pointed out by the member opposite in terms of the rustic qualities of the roads in Charleswood.

The cost of this project, Madam Speaker, if we were to go to the universal concept in the City of Winnipeg, the fairness in the City of Winnipeg, for sewers and roads alone would be in the neighbourhood of \$80 million. Yet we hear again from the Member for Morris, members opposite, almost every speech, Madam Speaker, throughout the Budget Debate, notwithstanding the fact it was never mentioned before the election, is the whole area of deficit, deficit, deficit; notwithstanding again the fact that this government, while maintaining and improving the services to Manitobans, decreased the deficit in its Budget of three weeks ago.

I think it is very important, Madam Speaker, that this prediction of the \$80 million does not even include some of the proposals that the Honourable Member for Charleswood proposed in his latter days at city council, the proposal of a bridge to cross from Moray Street in St. James to Charleswood, which has been called by independent . . . yes, Madam Speaker?

MADAM SPEAKER: Order please.

The hour being 5:30 . . .

MR. G. DOER: Okay. I was going to read the famous boondoggle speech . . .

MADAM SPEAKER: The honourable member will have eight minutes remaining when this resolution returns.

MR. G. DOER: Thank you.

MADAM SPEAKER: I am leaving the Chair with the understanding that the House will reconvene at 8:00 p.m. in Committee of Supply.