



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

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

36 Elizabeth II

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Speaker*



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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Third Legislature**

**Members, Constituencies and Political Affiliation**

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<b>BAKER, Clarence</b>	Lac du Bonnet	NDP
<b>BIRT, Charles T.</b>	Fort Garry	PC
<b>BLAKE, David R. (Dave)</b>	Minnedosa	PC
<b>BROWN, Arnold</b>	Rhineland	PC
<b>BUCKLASCHUK, Hon. John M.</b>	Gimli	NDP
<b>CARSTAIRS, Sharon</b>	River Heights	LIBERAL
<b>CONNERY, Edward J.</b>	Portage la Prairie	PC
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<b>DOWNEY, James E.</b>	Arthur	PC
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## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 13 April, 1987.

Time — 8:00 p.m.

### CONCURRENT COMMITTEES OF SUPPLY SUPPLY - HEALTH

**MR. CHAIRMAN, C. Baker:** I call the committee to order.

The Honourable Minister of Health.

**HON. L. DESJARDINS:** We were on Health Promotion, I think, but actually before the dinner hour, what I was actually trying to say is that probably next year there won't be an item on Health Promotion. It could be a line under, for instance, Maternal and Child Health, and Hearing Conservation, and Gerontology and so on, because it is in all those areas. That's what I was trying to show you, an idea of what we're trying to do with this plan, this comprehensive health care service model which, by the way, is modelled after the United Nations with some adjustments for Manitoba.

**MR. CHAIRMAN:** Okay, everybody's aware of where we're at in the book.

The Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, is the Minister then saying that Health Promotion will disappear and that what we end up with is the \$1.7 million budget of Health Promotion spread throughout the department?

**HON. L. DESJARDINS:** That's a strong possibility. Either that or, if it stays as such, we would put the other addition, if at all possible, under another line in a certain area, for instance, maybe in Gerontology and so on.

**MR. CHAIRMAN:** When I left this afternoon, when we adjourned this afternoon, I had the Member for River Heights . . .

**HON. L. DESJARDINS:** No, I was speaking on Health Promotion.

**MR. CHAIRMAN:** But I had her down on the list, and I should honour it.

**HON. L. DESJARDINS:** Oh, I'm sorry.

**MR. CHAIRMAN:** The Honourable Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, the point I was making with the Minister before is I think that there's no difference in approach between us and the New Democrats in terms of some of the areas that have to be dealt with to contain or prevent health care costs overtaking our financial capabilities in this province, and one of them of course is Health Promotion.

The point that I was making with the Minister is that the government has talked Health Promotion, but the

reality of the spending and the funding, with the exception of one program, namely, the Diabetes Education Program, there is a singular lack of attention paid to Health Promotion by this government.

I simply go back to the Minister's information: budgeted Other Expenditures, \$517,700 last year; actual expenditure, \$266,000, .25 million left unspent when we approved it here last year on the basis that spending those kinds of dollars in Health Promotion would save us money on the institutional side, would save us money in the Physician line for doctors' fees because, if you're healthy, you don't need a doctor, you don't need an institution. So we've got a government that talks Health Promotion and doesn't appear to be putting it as a priority, because it's one of the first places, it seems to me, that a significant paring of expenditures occurs within the department, if and when that reduction in expenditures is needed.

That's fine, if the government's priority is not to spend money on Health Promotion, but don't tell us that's the focus and one of the key centrepieces of a New Democratic Party health policy, when in fact the reality is you're not delivering on it. You're not spending the money on it. I don't see in here, other than Diabetes Education, where you've got yourself a demonstrable result from Health Promotion, and I don't think you can show it to me.

Just take one example, in terms of Health Promotion. If you decide that Health Promotion is key and you take the area of heart problems, because heart problems - not entirely - but probably as much as any other health problem, is something that is lifestyle, is dietary, is environment, i.e., stress in the workplace. All of those factors fit in and, if there's one area . . .

**HON. L. DESJARDINS:** Don't get me nervous, no stress.

**MR. D. ORCHARD:** No, you're all right. I don't think that your ticker will ever stop because of a little bit of debate in Estimates.

Mr. Chairman, in the cardiovascular area alone, Health Promotion should be able to show some demonstrable results. I don't know whether the emphasis here in Health Promotion is to pick cardiovascular problems as one of the areas so I think again, when I posed the questions earlier on in Estimates, can the Minister assure us that we've got programs that are managed properly? Have we got programs that properly expend and get value for the dollar expenditures? I don't think the Minister can answer that, and what annoys me in Health Promotion is it's an area that, for three years now, there's been some emphasis on when you've introduced your Estimates.

If you go through the track of spending from the Public Accounts and from the information the Minister gave me, you consistently underspend your budgets. You're not spending the money that we approve, as the members of this committee in this Legislature on Health Promotion, because we happen to believe that

it could save us long-term dollars in institution and Medical line care. If you're not serious as a government, quit deluding the people that this is a major thrust of this government to try to contain and have health costs not go out of control.

**HON. L. DESJARDINS:** Mr. Chairman, I don't think it is that simple to make a statement.

First of all, I don't think the honourable member was listening to what I said. I said that, other than Health Promotion, there are other areas. There's not as much as we'd like to, I'll admit to that, for instance, as far as education, prevention and so on in the health field re cardiac problems. We have helped. Again, we've made new arrangements with the Refit Centre for one thing, which does exactly that. Then in the area of medicine in hospitals also, some of the equipment that we've received. It is not going maybe as fast as the members of this committee would want, neither is it going as fast as I would like to see, but I would like to know sometime the priorities of the members of this committee also. I think that it would be important to see, at least in some areas, if we agree.

For instance, I've shown in the opening remarks that we have been increasing 176 percent, or whatever the figure that I quoted, in the last 10 years or so in health care. I know that members of the Conservative Party are pretty touchy and I've been very careful of how I stated that, but very touchy when we talk about the Federal Government. I always hasten to add that, no matter what the Federal Government would do or is doing, we would have to look at reform. I've said that, but it doesn't help when we get less of the percentage, and I'm again not saying that they reduce actual dollars, it certainly doesn't help.

We are going through a situation now where the dollars are very difficult to get. Now during the year like, in the time my honourable friend, at times the Cabinet will decide, all right, we've got to cut down another 2 percent or whatever because of the budget. Those are factors that we have been spending the money as fast as we would like to or as much as we would like to. I think that this is a factor and then, also, it's true that we've talked about changes in the last three years. It is not something, and I can't imagine that anybody around this table thinks it's that simple, to take something that people appreciate, people like, and that is working well, but that you know, certain changes because of the costs, that you won't be able to keep up and that you feel that maybe the standards will improve. If we could say all right, we're not going to do this from one day to the other, but we cannot do certain things, for instance, when we are talking about deinstitutionalizing. We cannot do that if we haven't got certain services in place because then we'll be in real trouble. It will be the same chaos as when we tried to deinstitutionalize the mental health institution. And fine, this committee could chastise. I'm being chastised by other people other than members of this committee, I can tell you that, but there's a limit in how fast you can go. When you're talking about discussing with different groups also, it's not done from one day to the next. These are the facilities.

Now we've asked the Federal Government, we've discussed with the Federal Government. The Federal

Government made a specific commitment that, although they were going to cut their percentage, there would be special funds for research and for fitness and for education and that. We haven't seen any of that yet. So I think that there has been an awful lot of change. You can say, okay, you can go back to '81 when there was a change of government and, at that time, we set up planning and research facilities. We brought in different works, different reforms. We worked with the medical profession. We worked with all the professions. I think we're arriving at something, and it's not going to be easy. I can't get all the money that I want in every one of those areas. I have an increase of \$120 million this year. That's approximately 10 percent for health. There have been different programs. I've been discussing with the - I know you're going to say we're discussing again, but it's got to start - present Minister of Education to set up in the curriculum different periods where there would be some education on health and on lifestyle and fitness and so on. I'll take that criticism because, if anything, if it can push us to go a little faster, so much the better.

I'm not going to accept that we are not serious when we were talking about changing this, but we're not just focusing on one thing. We are working on trying to deinstitutionalize, to prepare programs at the other end, to promote. We have gone on diabetes, you've given us credit for that. We have gone out on early discharge in areas. We have discussed the situation with the seniors. There's much more than we ever had before in the Maternal and Child Health and in other programs, Hearing Conservation and that area. We're behind, we'll see that.

We're not going as fast as we would like to in the field of mental health. This was something that most - well Saskatchewan is an exception. In Saskatchewan, it started about 20 years ago. Many of the provinces for many reasons - one of them it wasn't covered with any arrangements that, when hospitalization came in at one time, there was no mention of mental health. So it's going to take a while, but I think that we are going in that direction.

We're going in the direction and, as I said many times and I don't know a better way to make a point but to say that we haven't got the luxury of putting a sign and saying, sorry, we're closed for renovations. We must keep on with the service while we're trying to make the change, try to convince the people that this is for the best because we want to retain the good programs that we have. So fine, maybe we're not spending that much money but, you know, in the House we'll talk also about the deficit and about the taxes and about all these things, about closing beds. I'm saying, fine, lets work together and have a plan. It would be a lot easier. We can't reduce the taxes or not increase taxes, reduce the deficit and not do some of those things, once in awhile, and then keep on in the new programs while keeping the other programs. It's impossible to do that and not increase. I don't know that we can go much higher.

I think it is a priority, certainly more than other provinces, in saying that there's going to be \$120 million increase in all, and it might be that won't be enough. It might be that we will have to come back, because we won't have enough for home care and so on. I accept the criticism that we're not going fast enough.

I would like it if my honourable friend would tell me where we'd get the money and I hope that, you know, we spend this money many times. Now we can't cover everything with the staff of the First Minister, so I hope, other than that, there might be other ideas in the field of health.

**MR. D. ORCHARD:** Mr. Chairman, we're not talking about the Minister having to find money. We're not talking about what members of the Opposition want because, last year, I believe we passed this line in Health Promotion in agreement with the government that Health Promotion is something that, in the long run, dollars focused here can save us sizeable amounts of dollars down the road. It's like investing in the future when you invest in Health Promotion. Healthy people don't cost the health care system money, so we're not talking about what we want. We agreed with you last year when you came to this House and you asked us to approve last year, in Health Promotion, \$1.7 million.

**HON. L. DESJARDINS:** And we spent \$1.7 million.

**MR. D. ORCHARD:** Mr. Chairman, in your Other Expenditures, you did not expend .25 million. Now it seems to me that you've spent the money on staff, but you haven't given them any resources under which they can deliver their programs for Health Promotion. I mean, you have consistently underspent this budget. This seems to be, when you mention your 2 percent figure that Treasury Board and Cabinet gives you to reduce your expenditures by, this is where you come into is Health Promotion, and we agree. We have agreed with you that this is a priority area because we happen to think that, if you spend money here and you spend it wisely, you're going to save money when we get down to the Health Services Commission.

**HON. L. DESJARDINS:** No, you won't. You won't save money.

**MR. D. ORCHARD:** Mr. Chairman, is the Minister now saying that the promotion of health in this province won't save money from the Health Services Commission in terms of hospital expenditures and medical expenditures?

**HON. L. DESJARDINS:** No, I said, if I may, Mr. Chairman, what I'm saying, it has been said that, if you prolong with this prevention and so on, certainly you're going to save money in looking at how productive the people will be, what kind of a life they live, but you will not save money in the health field. You might have people, instead of 70 or 75 - that's true - in the hospital, they might be 85 and 90. But they will eventually die, and these people will be sick at another age. I think it is pretty well understood. It is certainly worthwhile. It's not something we're backing away from, but to think that there's going to be an actual saving in hospitals, I doubt it very much. That can be argued and it is being argued by people on that side, but anyway the point is that in 1986-87, the vote was \$1,729,700, in 1986-87, the estimated actual was \$1,741,500 with salaries, and so on, with everything.

**MR. CHAIRMAN:** Next question.

The Member for Pembina.

**MR. D. ORCHARD:** The Minister is correct, and what happened is the salary line, and this is where we got into the argument, or not the argument, but the observation the other day, that we've got an 8 percent average salary increase in this department, and the biggest part of Health Promotion last year, the biggest increase in expenditure went to salaries, while the other expenditures, presumably, the operating funds that those people you're paying the salaries to, the money they have to deliver programs with, with .25 million underspent. In other words, we put lots of people in place, but did those people have any money to do anything with? I can't answer that, Mr. Chairman. I don't think the Minister can answer that right now.

**HON. L. DESJARDINS:** We certainly didn't underspend. It was salaries, but anything you spend in a hospital, for instance, 75 percent is salary; of course, salary is a big item.

**MR. D. ORCHARD:** Mr. Chairman, I think we started out last year in Health Promotion with 19 SY's. I think that's what we started out with. Now we added 21.5 - well it doesn't matter. We went through that earlier on. There's a whole confusing area here of staff because they took the Home Ec Section out but, Mr. Chairman, surely the Minister must admit that there's something wrong with a division in a department where salaries go from what was estimated to be spent last year of - I'll get it from the original print estimate - \$742,000, then they go up to \$883,000, while the money those staff spend to deliver programs goes from an estimate in last year's Estimates of \$517,700 down to \$266,400.00. You're fattening the department with staff and cutting them off, tying their hands behind their back by not having money available for them to spend.

Now, I mean if Health Promotion is simply nothing other than an employment agency, then fine, you're doing a great job. But if you're serious about Health Promotion, to keep people healthy and out of hospitals, to prevent my honourable friend across the table from maybe having a heart attack prematurely, in cardiovascular education program, then you're not doing it when you're hiring more staff and not giving them any money to work with.

**HON. L. DESJARDINS:** Well, in an area, you know it's a vicious circle also, because we didn't spend \$180,000 on diabetes education last year because we didn't have the staff. And now we're asking for six more staff. That is another example that you need the staff also. You can have the money. If you're not ready, if you haven't got the staff, you might be blowing it away. So there are six more staff this year to do the work and hoping that we'll spend that \$180,000 that we couldn't spend. Part of the salary last year wasn't budgeted for, it was an increase after negotiation after the Estimates.

**MR. D. ORCHARD:** Mr. Chairman, the Minister really hasn't given us a reason or any justification whatsoever as to what's going on here. If he's saying that, you know, we had this money to spend on diabetes promotion but we didn't have the staff in place to spend

it, then maybe some of this mismanagement I keep reminding him of, of this ADM shop, is really there.

Maybe you should start considering that, not as just a member of the Opposition telling you that, but maybe you should ask why this went on. How can you justify \$140,000 more staff costs and \$250,000 or about 50 percent less operating money? I mean, those don't fit. Either you budgeted improperly and, if that's the case, then you'd better start looking at your senior management, because you come here asking us for something you didn't need, or there is no plan, there is no management, there is no leadership in this division. If you've got that for a problem, Mr. Minister, as I believe you have, then you've got to take hold of it and start to rectify it, because you can't continue to talk about healthcare promotion and how it's going to be beneficial to the people of Manitoba and allow what is either a lack of focus and dedication to your political commitment as a Minister and the actual delivery by your staff, or else you've got the program without management. You can't have it both ways. Something is seriously wrong here in Health Promotion.

**HON. L. DESJARDINS:** I don't think it is at all. It is not the first time and it won't be the last time that you haven't been able to do either, be able to do the work with the lack of staff, especially in this area where now it is so difficult to get the staff here because governments are all so careful and at times you just can't deliver it if you haven't got the staff. And this is what happened.

That money wasn't spent that year and now we've rectified that by getting the staff. There was also an amount of money that had to be paid from that last year from the increase in salaries after the agreement was signed. That was part of the fund also. So, no, I think that we have improved, granted, maybe not as fast as some of the members of this committee would like to see us do it, but we have spent - and I'll give you some examples in some other areas also.

And then, the information that I'm given is that it's not factual to say that we did not spend the money. Maybe we didn't spend it as my honourable friend would like to see it spent, but the estimated actual is a little more, practically the same, a little more than what was voted last year.

**MR. D. ORCHARD:** Mr. Chairman, I won't belabour the point because I don't think the money was spent as this committee approved it last year. We approved some \$517,000 of program expenditures to support the staff, to provide Health Promotion programs throughout the province. In reality, we got \$266,000 spent, almost half of what we approved. We, as members of this committee, believe that would help the health care system. I think that what's happened last year in terms of rapidly increasing salary costs, rapidly decreasing expenditures to support those jobs, is just another example of what's happened here because this government, a year-and-a-half ago, went on a cutting binge where they were going to eliminate the Home Ec staff completely. That was the original intention, Mr. Chairman.

**HON. L. DESJARDINS:** From this department, and never completely.

**MR. D. ORCHARD:** Well, the Minister says, never completely. I'm not going to argue with him because all we'll be doing will be arguing opposite sides of the case, but I believe that those people involved in the Home Ec service believed their jobs were not going to exist in the Home Ec directorate anywhere in government, that they were going to be redeployed into other areas as jobs opened up, but not as home economists delivering budgeting services, nutritional services, etc., etc.

That was eliminated from Health Promotion, and I have to tell you that I believe it was probably one of your most efficient groups of people within your department, delivering probably the most cost-effective advice to the people of Manitoba on how they can maintain health through nutrition, how they can budget money, how they can manage their household. We're talking people without those basic skills, single-parent families, single mothers, a lot of them in the inner core area of the city. We met with them, my three colleagues right here met with them in the MLA for Ellice's constituency, but this government rammed ahead and eliminated that or were going to eliminate that. They changed their mind and they put it into Agriculture, but it was doing a fine job in Health Promotion.

That's why I say, I don't believe this Minister and his ADM have a vision as to what Health Promotion is to do. I think it's another example where you don't have management that's capable of focusing the resources and getting the job done. We will no doubt agree to disagree on that, Mr. Chairman, because I know the Minister will never agree with my perception on this item of Health Promotion.

**HON. L. DESJARDINS:** Well, to your surprise, Mr. Chairman, I do agree with the need for nutritionists and, if anything, I visualize that we'll probably have more in the department. What was done last year, we're trying to make sure that what is in the budget of the Department of Health is for health. Health is a big enough department as it is and the situation about - and never was it said that this wasn't important, but it is not a function of the Department of Health to have people to talk about money management. That could be Community Services or Agriculture the way it was and the way it is now but, if anything, I think that we've always said that. I think that you will see more nutritionists, because it is not just fitness of jogging and so on. There's no doubt it's proper eating habits and, I would imagine, I would hope that we're going to have more because that is the role these people are qualified and trained for. Now it was never intended to drop these people from the department.

**MR. D. ORCHARD:** Mr. Chairman, one final question, who is the director of Health Promotion and how long has that person been there?

**HON. L. DESJARDINS:** I think I answered that before dinner. I introduced the gentleman and you asked questions about him.

**MR. CHAIRMAN:** The Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Mr. Chairman,

I'd like to go back to something the Minister said a little while ago, because I think it's critical to this entire department. That is, he said you won't save money through the Health Promotion. I don't like to disagree but I think that, if one just takes the diabetic as an example, if a diabetic is controlled and gets the kind of support they need in terms of diabetic education, that individual is very unlikely to die of diabetes. Now he may die of complications of diabetes. He certainly may die of other things but, if you've managed to keep that individual out of hospital three or four occasions in their lifetime because they've had proper diabetic counselling, presumably you have saved the health care system a substantial amount of money.

I think that can be taken through any number of individuals, that it can be shown very clearly that teaching people good health care can indeed save millions of dollars out of your hospital care budget.

**HON. L. DESJARDINS:** I want to make sure right from the start that we are not suggesting for one minute that it shouldn't be done, that we're abandoning that - quite the contrary. I think when you look at the productivity of these people, I think that's certainly an important thing; the fact also that they live a much better life and a more pleasant life. What I did say, and you will find many people who will say the same thing - that argument has been going on for a long time - that you in general will not save money from the health care field. What the member said is absolutely true but the people, because of the scare and so on - and I don't want to be gruesome here, but they are living much longer than they were in the past because of the strides in medicine, the improvement in medicine and care.

I remember not that long ago, when I was Minister of Health and Social Development, the average at the Portage School for the Mentally Retarded was - what? In the 40's or so and, not long before that, it had been in the 12's. Now it's the usual age, and that costs an awful lot of money. That's the point I'm trying to make, I don't want to argue this thing. You will find authorities, other than certainly myself, probably on both sides. This is something that goes on, but the point I was trying to make is that is not necessarily the main reason to save money, that we should educate the people and do some health promotion. It is that they will live a better life and be more productive. That's my point.

**MRS. S. CARSTAIRS:** Well, in that you won't find any disagreement; obviously, quality of life is very important. But I think that, if the Minister is sincere about what he has said in his introductory remarks with regard to the need to move to more innovative health care systems, one of the reasons to move to those innovative health care systems is to in fact bring down the costs in the long term. One of the most fundamental ways that we can do that is to promote individual Manitobans accepting some responsibility for their own health care and that, to me, is what health promotion is all about.

I mean, if you encourage people to give up smoking, then you're going to have a reduced incidence of lung cancer and you're going to have a reduced incidence of cardiovascular disease. If you can convince people to monitor their weight, the same thing will result. Of

course, ultimately they will all die - there's no question about that - but they may die in their beds, and they may die without having to place enormous drains on our health care system. If we are serious about what we're doing, then we have to move in a dramatic way into the encouragement of this kind of lifestyle activity on the part of Manitobans. That's why it was, to me, of some concern to see that while the health budget has gone up by very large percentages in some areas, Communications in this budget, which I happen to think is a very vital area, has gone up by 1.5 percent.

Now if you are going to promote health by encouraging individuals to look after themselves, then surely that has to be done through the communications medium. That's expensive and I recognize it's expensive but, just as we're not putting enough money into communications about AIDS, I question whether we're putting the kinds of dollars that we should be putting into Health Promotion in the same way. I mean, where's our advertising program encouraging people to monitor their weight, to encourage people to give up smoking, to encourage them to watch their diet for diabetes protection? Where is that kind of programming, and when are we going to see it?

**HON. L. DESJARDINS:** Well, Mr. Chairman, the point that I'm trying to make is that you don't necessarily, to achieve what was said, what is promoted, and what we all agree should be done, it doesn't have to be here in Health Promotion only. I'm saying that there have been dozens and more programs that will be financed at different levels, for instance, gerontology. We did some of that before dinner. There are some also, Maternal and Child Health, we talked about that before dinner. We have worked with other people on the nonsmokers to promote that. We have worked with the Refit Centre to work in the re-cardiology. There's more of that, I'm told maybe there's not enough. But the point is, it is not only in Health Promotion, and I think you're going to see more of that.

We are talking about going into the community. What we said we're trying to do in the different legislation that we have to do in different areas, all right, this will take a while. It's not going to be done from one day to the next, and this is exactly what we're doing to work and also to get the proper funds to put in there also. We're working with the Department of Education. That wasn't done before, not the way that we want to work together now in this area for that kind of promotion. We are talking about community clinics and so on with those kind of services. And there will be some services probably with Community Services also, the department. So fine, we're going in that direction.

Granted, if you want to say that we're not spending enough, that's fine. I'm still saying where are we going to get it? I showed you, gave you the figures of the average increase over the last few years. I told you how much the budget has increased, which is more than any other department by far. I'm saying that you won't find all the promotion and so on in this little square of Health Promotion; you'll find in other areas. This is why I gave you this also before dinner. If you look at that, you will see in which way we are trying to do it.

We've said, and you're right, I said that we must change the motivation of the patient to start with, that

he doesn't think that just be sick because he can get a bed in a hospital and he can see a doctor. We've talked about a possibility of pilot projects, if we could work this with the medical profession, where there would be capitation, where the motivation of the doctor would also be more on fitness and prevention rather than just treating in a hospital. We're going in that direction.

**MRS. S. CARSTAIRS:** The Minister mentions before our dinner we did discuss the area of Gerontology, and one of my concerns when we discussed Gerontology was that we were going to have the cervical cancer study which I certainly agreed. I'm sorry, it wasn't Gerontology; it was Maternal and Child Health. Excuse me. We were talking about the need for an advertising, a communications program, and I noted at that point that the Communications budget was down in that particular area. I was told at that point that I could look to Health Promotion. So I come over and I look to Health Promotion and I see a grand sum of \$2,300 having been added here. I also noted that it was down in Gerontology.

The frustrations that I feel is that I agree with the Minister's objective which is to promote better health as one of the principal ways of ultimately bringing down our Health expenditures. But what I don't see in the budget is the actual money for that kind of thing taking place.

I can certainly deal, and I said in my opening remarks, with closure of acute beds if I can see alternative programs and, if that alternative program is better promotion of health care so there's less demand on acute beds, so be it. I mean that is the ultimate solution as I see it, but I see one thing happening and I hear one thing being said, but I don't see it translating into the dollars that I think are required in order to move towards that goal.

**HON. L. DESJARDINS:** Well, where to start? You know there's not much point in arguing any further. We agree with the direction we can go. I, quite honestly, got as much money as I could on this at Estimates time. I think there is no doubt that this was the priority department. Obviously, I won't have the money that is felt by some of the members of this committee for that. Well fine, I can't help that.

I can't help that we have a big deficit. I can't help that we've had to increase taxes. I can't help that I've spent more money - I probably will spend more on home care. I can't help that the hospitals have deficits and so on. We're trying to put a little order in that and I won't satisfy everybody on all fronts. We'll do the best we can but there's a limit. If we have the money, we're talking about also by 1990 of having no deficit, which everybody agrees with also. That is also a factor. This is a factor that now, if I'd be spending all the money, there wouldn't be an increase. If we're going on, there wouldn't be an increase with a single other department.

Today we've talked about the gentleman who's in agreement with the Federal Government, and we were chastised by the member of the Liberal Party also, to my surprise. This was something that there's a Federal Government that always paid for that before. They're pulling out. They're doing the same thing on Health. They're doing it in practically every department and,

because we're closer to home, because there's pressure, we've got to take the slack and that's impossible.

So I'm saying let's be fair, let's prioritize. But looking at the difficulties that we are having also, we can't do it all. Something has to give. If we spend more money on health, there will have to be higher taxes. If there are not higher taxes, we'll have to cut services or we'll have a larger deficit, and that's the point that I'm trying to make. I think that we've accomplished an awful lot in this department with the staff that we have and so on, with the funds. We would like to have a lot more money than that. There's no doubt about that.

**MRS. S. CARSTAIRS:** I'd like to go into some specifics about the Diabetes Education Program for just a moment. We have gone from a staff of two to a staff of eight.

Can I have some figures on the distribution of where those individuals will be placed throughout the province, or will they be all functioning out of the City of Winnipeg?

**HON. L. DESJARDINS:** The total staff will be distributed amongst the different regions, such as Central, Parkland, Norman and Eastman, to have those programs . . .

**MRS. S. CARSTAIRS:** My information may be inaccurate, so your assistance may be able to clarify, but it is my understanding that the highest incident of diabetes and the fastest growing area is among our Native population. Is that correct?

**HON. L. DESJARDINS:** It is one of the difficult areas, yes.

**MRS. S. CARSTAIRS:** Will these regional people in the area also be working on the reserves as well as within the health region itself?

**HON. L. DESJARDINS:** Well, there's another touchy topic. You know, in the late Fifties, Chretien came here with a White Paper suggesting that the Native people were - Manitobans or from Ontario or whatever. It was a suggestion that the Federal Government was ready to pay the cost, but it should be delivered by the provinces. We've accepted that under all the governments that I've seen in Manitoba, we've accepted that. The Native population at that time did not want to go along and, if anything, now we're stuck.

The Federal Government more and more are pulling away from the services but not giving us the funds. We are ready, we want to negotiate with the Federal Government, and it's difficult to see somebody. You know, they're in Ottawa, they don't see that. We see problems here and we've picked up, but again, how much can you load on a province?

We are ready any time to go ahead and meet these services and deliver these services, and we are doing some. In some areas, we have some kind of arrangements with the Federal Government, but that is a touchy thing. There are discussions going on now between the Federal Government and the Native population, and we are trying to get as much information as possible.



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We would love to be able to say, okay, we'll deliver all the services. We are doing some of the work. We've worked in this with the Federal Medical Services on this and have developed a well-received teachers' resources for the Natives, and this has been distributed for field testing also.

But what I said is still valid. I'd like us to settle that once and for all because, for Manitoba, it represents quite a bit, and I've discussed that at different meetings with the Minister of Health. I had backing from Saskatchewan but, at the time, Alberta was quite rich and, for what they had, they didn't figure that it was worth arguing and so on, but that is a concern that we have.

We are doing the best that we can and cooperating with them, but we don't go on the reserves. Unless we'd be invited or if there's an arrangement with the Federal Government for a nursing station or something, then we would.

**MRS. S. CARSTAIRS:** Does the Minister have any recent data on just how many diabetics we have in the province or even a percentage figure as to how many at a certain age we think will have diabetes?

**HON. L. DESJARDINS:** We apparently are going quite close to the national average of 3 percent, about 30,000.

**MRS. S. CARSTAIRS:** In the discussion of the grants, there were a number of transfers that were made to Lotteries. We also had in the Budget the fact that \$7 million was to be transferred from Lotteries into the Health Department. Has that been assigned to any particular function of the Health Department or is it going into general revenue?

**HON. L. DESJARDINS:** That is going to general revenue, and it was felt the reason for that was that I wouldn't have had this money, even probably less, and we're trying to get more now if we hadn't had that transfer from the Lotteries. So it's going in general revenue to pay part of the increase in here.

**MR. CHAIRMAN:** The Member for River East.

**MRS. B. MITCHELSON:** Yes, just a couple of questions for the Minister, Mr. Chairman.

I don't know if maybe I missed something. I was out for a few minutes and I was wondering whether the Minister had explained or told us what specific groups in the population, what targeted areas there were in Health Promotion?

**HON. L. DESJARDINS:** For what, diabetes?

**MRS. B. MITCHELSON:** Well, diabetes is one. There's cardiovascular, I believe, too.

**HON. L. DESJARDINS:** Smokers.

**MRS. B. MITCHELSON:** Smoking.

**HON. L. DESJARDINS:** Alcohol and drugs.

**MRS. B. MITCHELSON:** Alcohol.

**HON. L. DESJARDINS:** Fitness, obesity. I'm the picture of "Before."

**MRS. B. MITCHELSON:** . . . they've been working on you.

**HON. L. DESJARDINS:** It's too late for me.

**MRS. B. MITCHELSON:** Mr. Chairman, I'd like to ask whether the Minister under Health Promotion has ever considered working with people who are under stress, anything to do with stress-related activities. I know that in today's society, there are many people who are under stress as a result of work, home life, family life, and I would think that mental health might be an area that might be looked at under Health Promotion because there are a lot of people who have mental breakdowns, mental problems, as a result of stress. It would only stand to reason to me that people with these types of problems should be helped too under a Health Promotion type of program.

**HON. L. DESJARDINS:** I met this morning with the chairman of the Health Research Council and we've discussed the possibility of looking and having research in that field of stress, mental illness, mostly in gerontology. They're working on that, in other words, not just the regular problems that they might be studying somewhere else, but maybe something that is particular to Manitoba.

Of course, the more you work - and that is slow in coming, slower than I would like to see, but when we have our mental health program in place - but on that, I don't know if I'll have that program ready for the Estimates. If not, it'll be shortly after. It's been in front of the Advisory Committee and so on, but that should take care of some of that. We have a long way to go on that. It's a newer science. It's not accepted as well by all the physicians. It's pretty hard to recruit the good ones and so on. You know, there are a lot of factors and there is so much difficulty, because there are so many different questions of stress and concern in this fast society and so on, in this lifestyle.

**MRS. B. MITCHELSON:** Could I ask the Minister, what do you say when people don't understand - it's psychogerontology, specifically the problems with the elderly and mental illness, or is it . . .

**HON. L. DESJARDINS:** No, no, no. When I said, research in gerontology, that was one thing. You know, we have an aging population and so on. I wasn't combining both; I was talking about two distinct things. I was saying also in the field of mental illness, I was agreeing with the statement that you made and talking about the research of what makes people, what is the stress, what it does to the individual and so on and so forth.

**MRS. B. MITCHELSON:** Just for clarification then, the Minister is saying that right now there is some communication with mental health and with the Research Department on what might be implemented or put into Health Promotion?

**HON. L. DESJARDINS:** Not the Research Department, the Research Council, which has experts who the

government will give them whatever money there is to go in research. I'm not talking about the research in our own department. This is something that I met with the chairperson of the Research Council, and this is what we were discussing for an hour-and-a-half this morning, that kind of research. I'm talking about the Research Council as such.

I'm also saying that they will be a help. Those were some of the recommendations that were made a few years ago. It started with an Advisory Committee and so on. That has been taking place and there is a program being put in place, borrowing from some of the success they've had in Saskatchewan and certain areas and so on, to start this program. I say that, in that area, we haven't got much to write pamphlets and take ads and so on. In this field, there is still an awful lot to find out and facilities that we haven't got to work with.

**MRS. B. MITCHELSON:** So the Minister is saying, you're talking about the Mental Health Research Council then that you were meeting with . . .

**HON. L. DESJARDINS:** No, no.

**MRS. B. MITCHELSON:** I don't understand who the council is. Maybe you could explain.

**HON. L. DESJARDINS:** A number of governments. In other words, in the Schreyer years, Mr. Sherman, when he was member and so on, worked in research. At one time, the only research funds that you had here came from the Federal Government. Then a few years back, the Federal Government cut that down, but they reinstated it. At that time, the first money that was ever spent in Manitoba for general research, medical research was - I think there was \$100,000 for two years for some research. Then there were discussions with the Dean, who was Naimark at the time, between myself and Sherman, and the Conservatives at one time started from the Estimates, regular, which wasn't done before.

I think in '81, there were \$200,000 from the Estimates. During that time, Mr. Sherman had started working on an act. I completed that act. I introduced it in '82, I think. There is an act that created the Manitoba Research Council with the understanding that the money that the government could put in or would want to put in for research, instead of saying, you're going to get it and so on, having a decision made by people who were not qualified, the members of the board who were working with certain committees would have the money that the government would give them and then they would go from there. They would decide on the project. There wouldn't be the politicians.

By about three years ago, it was up from the \$200,000 to \$700-something in the Estimates. But then when there was a reform of the Lottery, they had an umbrella that was just for research besides that \$700-and-something, and that money was divided 45 percent or half of it or whatever to capital, because of what we inherited. In St. Boniface, their building that they have, that's finished. They had to match it. Now it was felt that the Health Sciences Centre should certainly have part of that, seeing that St. Boniface had to build that building mostly from Lottery money. That is being done,

I think, to \$2.5 million that they'll have to match and the Children's. During that time, the other 40 percent or 50 percent or so would go to the council, so they would have \$700-and-something from the Estimates - last year I'm talking about - plus another \$700,000 or \$800,000, whatever. Now this year, that was all transferred. But it would be somewhere around - and don't hold me to the exact amount - of approximately \$1.5 million.

Now, the mental health - there's a special act - and they were getting about \$15,000 or so. We agreed that, if we're going to go ahead with the council, they should decide anything and it should be a first-class project. So to give them a chance to get ready in the mental health, we gave them, I think, an equivalent of \$50,000 - I don't know if it was on a sliding scale - for three years with the understanding that eventually they would have to go to the council.

So now, all the money that the government will have put aside for research, the application will have to be determined by the Manitoba Health Research Council.

**MRS. B. MITCHELSON:** Mr. Chairman, I'm not sure whether the Minister and I are really talking about the same things. He's talking about Health Research and Mental Health Research, but I'm talking about Health Promotion and money that is spent in Health Promotion to deal with stress-related situations and not just mental stress and mental breakdowns. What is the government doing or what is this Minister doing to attempt to work with the people who have problems, mental breakdowns, physical problems as a result of stress? Is there any direction or anything taking place in that direction?

**HON. L. DESJARDINS:** I know exactly what you're saying. This is why I started saying that what you were talking about, that I met with the director of the Research Council. We were talking about - it's okay in promotion. We know about "no smoking"; we know about that, but we don't know that much about stress. Some of their research and studies are being done, and that is suggested. It's a new science. It's not just that you've got all kinds of material that you can print it and send pamphlets, not in that field. That's what I was trying to say.

First of all, we must have the information that we want to give to the public, and that's the first step. I say also that working with the groups - and that was just one example I was giving because of what you stated. Then I said also that, through our directorate on mental health, we're working with the directors, with others, with an advisory committee. There's a plan that's being placed in front of them that's in front of Cabinet now that I should announce as soon as I get it. That is treatment and so on. There are a lot of those cases. We're talking about prevention, but we've got to know how to prevent it and so on. It's difficult.

I can tell you that, no matter how much money I spend for prevention of stress, the MLA's won't pay attention to it at all, not with the way we're conducting the House. So we can talk until we're blue in the face, but we live on stress and we're not happy if we don't cause more stress to the opposite side. So you can say what you want, that we're not practising what we preach.

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**MRS. B. MITCHELSON:** Well I'd like to really thank the Minister for looking in that direction, and I really look forward to seeing something then if it's before Cabinet in the very near future in this direction.

Can I ask, under Other Expenditures for advertising, can you tell me what type of advertising is done?

**HON. L. DESJARDINS:** What's that?

**MRS. B. MITCHELSON:** Under advertising and Other Expenditures, under Communications, there's \$132,000 for advertising.

**HON. L. DESJARDINS:** This is what we've been talking about all the time. This is what your colleague talked about. He's not satisfied with the amount that is there.

**MR. D. ORCHARD:** Mr. Chairman, I don't think that's what I was not satisfied with.

**HON. L. DESJARDINS:** The amount of money, you were saying.

**MR. D. ORCHARD:** The money is there; it's not being spent. It's being put into staff. The staff budget is bloated and the Other Expenditures, the money with which they can carry out programming, is not there. That might be a good question. What was the actual expenditure on advertising last year?

**HON. L. DESJARDINS:** Let me try to tell you again what it is that you call poor management. This is the way we were instructed to deal with this. There was an increase in salary after - what is it? - the general increase that we did not have the money, and we were directed to find it from within. That's what we did, and that's absolutely right. My honourable friend is absolutely right. We spend a lot of money on salaries.

As I say, we were directed to do that because of the question of the deficit and so on and the taxes. We weren't giving any of the funds, and we had to spend it for wages. That's true. That doesn't mean these people didn't do any work.

**MRS. B. MITCHELSON:** Can the Minister tell me what the actual expenditure for advertising was last year?

**HON. L. DESJARDINS:** You mean programs on radio, TV and so on?

**MRS. B. MITCHELSON:** Well, under communications, whatever they were.

**HON. L. DESJARDINS:** The total amount was spent or will be spent. I say, will be spent, some of the bills aren't in yet. It's approximately the total.

**MRS. B. MITCHELSON:** \$129,000 or \$130,000, okay. Did we discuss supplies and services at all?

**HON. L. DESJARDINS:** Yes.

**MRS. B. MITCHELSON:** Okay.

**MR. CHAIRMAN:** 2.(d)(1)—pass; 2.(d)(2)—pass; 2.(d)(3)—External Agencies—pass.

Hearing Conservation: 2.(e)(1) - the Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Mr. Chairman.

Can the Minister tell me, among these three positions, if they have all changed between '86-87 and '87-88?

**HON. L. DESJARDINS:** You mean the incumbent?

**MRS. S. CARSTAIRS:** Yes, I mean if there are three different people here this year than there were last year?

**HON. L. DESJARDINS:** The manager, Mr. Selinger, is the same. The professional or the technician, the one who repairs equipment and so on has been changed.

**MRS. S. CARSTAIRS:** And the administrative support person?

**HON. L. DESJARDINS:** Yes, that's a secretary or something. That's still the same.

**MRS. S. CARSTAIRS:** I'm sure the staff, Mr. Chairman, knew where I was coming from here, because the managerial individual got a 12.6 percent raise; the professional person got a 24 percent raise; and the administrative support person got a 23.9 percent raise. In addition, the administrative support person now has \$3,700 worth of overtime, which conceivably could mean that individual could earn 41 percent more this year than they earned last year, which seems a rather hefty sum of money.

**HON. L. DESJARDINS:** The explanation that I have is the increase is due mainly to GSI and increments and, in part, to the position being budgeted at a lower level than required in '86-87. That would be - what? - the technician? -(Interjection)- oh, the manager. The increase is due mainly to the requirement, 1986-87, the budget for the vacant position at the first step of the range, while 1987-88 reflects the actual requirement and, in part, the GSI and increments.

The overtime also was that we did not have an amount the year before and then we had to pay for it, so this is the special amount for overtime this year.

**MRS. S. CARSTAIRS:** Mr. Chairman, I gather though from earlier discussions with the same Minister that this amount of overtime would in fact be paid to the individual who is listed under administrative support?

**HON. L. DESJARDINS:** And the technical also.

**MRS. S. CARSTAIRS:** And the technical individual could also be paid overtime?

**HON. L. DESJARDINS:** Yes.

**MRS. S. CARSTAIRS:** Because of the nature of the work that individual . . .

**HON. L. DESJARDINS:** Well, probably more than technical, the administrative support in this department, and then the explanation also is that we advertised it,

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when we didn't have the position, at the lowest step, but we filled it at a higher step.

**MRS. S. CARSTAIRS:** Mr. Chairman, the individual who would in fact be working as a technical person in Hearing Conservation, what technical skills would that individual actually require?

**HON. L. DESJARDINS:** He repairs audiometry equipment and the hearing aids for the young, real deaf children mostly.

**MRS. S. CARSTAIRS:** Would these be the children who are in the school division, as opposed to the ones who are at the Manitoba School for the Deaf?

**HON. L. DESJARDINS:** In the school division.

**MRS. S. CARSTAIRS:** In the terms of External Agencies, the Winnipeg School Division No. 1, I would assume, gets part of that grant, and the Luther Home. What is the Luther Home?

**HON. L. DESJARDINS:** If you remember, there was the discussion with the medical profession, the MMA, on this. It was developed that this was a grant provided to support a voice-out answering service provided by severely handicapped employees of the Luther Home for Manitobans who are profoundly deaf. The MMA was in another program at Luther Home also. That's the health answering line where there's a tape that is played, but it's some of the same people who are manning the phone.

**MRS. S. CARSTAIRS:** But I still don't know what the Luther Home is.

**HON. L. DESJARDINS:** Oh, the Luther Home is a personal care home.

**MRS. S. CARSTAIRS:** It's a personal care home. And at this particular home, there are a number of individuals who are . . .

**HON. L. DESJARDINS:** They specialize in care for the deaf.

**MRS. S. CARSTAIRS:** Care for the deaf. So this would be a place where many people who could no longer stay at the Kiwanis Home for the Deaf may go when they need a more extended care kind . . .

**HON. L. DESJARDINS:** That's a personal care home, and the other - this is a personal care home.

**MRS. S. CARSTAIRS:** But this would be a place where they could in fact go and still get some deaf services?

**HON. L. DESJARDINS:** Although we have some beds as a personal care home in the Centre for the Deaf which is very similar.

**MRS. S. CARSTAIRS:** I notice that there was no - well, I shouldn't say that. There doesn't appear to be any

increase between 1986-87 and 1987-88 for Winnipeg School Division No. 1.

Is there not any increase?

**HON. L. DESJARDINS:** No, it was the same.

**MRS. S. CARSTAIRS:** What kinds of things is this supposed to provide for these children at the school? Most of these children, I think, are at Grosvenor School.

**HON. L. DESJARDINS:** It's through the Child Guidance Clinic, and it's the support for the audiological services provided by the Child Guidance Clinic.

**MRS. S. CARSTAIRS:** So there's actually nothing out of this sum of money that would be used to fund the in-classroom activities of these children?

**HON. L. DESJARDINS:** No, it's people who are identified, I guess, by the Child Guidance Clinic with some problem, and this would be the support for those people.

They find these children by working with the teachers and they have screening and so on. The teachers will conduct some of the screening.

**MRS. S. CARSTAIRS:** Thank you.

**MR. CHAIRMAN:** The Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, I'd like to deal with a couple of areas here.

Last year, the SY's for Hearing Conservation showed four; this year, three. Is that because the Director, Dr. Vic Magian, left mid-year?

**HON. L. DESJARDINS:** It was a Dr. Magian that retired.

**MR. D. ORCHARD:** Mr. Chairman, when did he retire, and did he take early retirement?

**HON. L. DESJARDINS:** Early in the new year or somewhere around the new year of 1987.

**MR. D. ORCHARD:** And was it early retirement, Mr. Chairman?

**HON. L. DESJARDINS:** Yes, it was.

**MR. D. ORCHARD:** Mr. Chairman, when we get into the forecast of expenditures on Hearing Conservation, the print Estimate last year had \$158,000.00. The forecast expenditure is \$182,500.00. Yet we are shown, in the adjusted vote, \$85,500 for 1986-87, when your actual expenditure forecast is \$182,500.00?

**HON. L. DESJARDINS:** That position, the doctor who retired, was transferred to the Norman Region.

**MR. D. ORCHARD:** Mr. Chairman, if the position was transferred to the Norman Region, was it transferred - what I'm getting at is: How did you spend the \$182,500 when you budgeted \$158,800 on 4 SY's, when one of them took early retirement two-thirds of the way through the year? When presumably Dr. Magian, the

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director, hence I'm assuming the highest-paid individual here, took early retirement two-thirds of the way through the year, how did you accomplish overexpending the salary line by \$23,700?

**HON. L. DESJARDINS:** I understand that, upon retirement, there is quite a payout, and that would take pretty well the salary for the full year, for the three months that he retired, in early '87, and it would be used for that.

**MR. D. ORCHARD:** So, Mr. Chairman, what we're saying then is that, even though the SY is transferred, we enjoyed the services of the director of this department for about three-quarters of the year and, as a result of his taking early retirement, we have an overexpenditure in the line of \$23,700.00.

**HON. L. DESJARDINS:** That is the severance pay, vacation pay and one week for each year . . .

**MR. D. ORCHARD:** Why is there severance pay if it was early retirement?

**HON. L. DESJARDINS:** Because he is entitled to severance pay.

**MR. D. ORCHARD:** Interesting. Is that part of the MGEA contract then?

**HON. L. DESJARDINS:** The MMA contract. He's not in the MGEA contract.

**MR. D. ORCHARD:** Mr. Chairman, then is that the reason for indeed the rather sizable salary increases that we see in this line, and the overtime increase is because now you're trying to run Hearing Conservation with three SY's where four did it before? Is that why you've had to pay 12.5, 24.4, 23.8, an average salary increase in this section of 18 percent over presumably the adjusted vote for those same people last year?

**HON. L. DESJARDINS:** I tried to explain some of the reasons for that but . . .

**MR. D. ORCHARD:** Or were they reclassified because now they no longer have a director in charge of them?

**HON. L. DESJARDINS:** No. It was that the GSI's and the increments, part to the position being budgeted also at a lower level than required in '86-87 and the increases are due mainly to the requirement in '86-87 to budget for the vacant position at the first step of the range, but in '87-88 reflects the actual requirement and then part of the GSI's in increments also.

**MR. D. ORCHARD:** Which position was that, that was budgeted at the lowest range?

**HON. L. DESJARDINS:** That would be the technician. The technician for the one that was advertised. As far as the GSI's, the three of them.

**MR. D. ORCHARD:** Well, Mr. Chairman, in general averages and when we get into managerial levels of

staff, it's been less than 8 percent, but general average of GSI plus increments has been about 8 percent every other line of the department. Here we come to this one, and we have a manager or the director take early retirement and, from then on, we get 12.5 percent increases and 23 percent, 24 percent increases. One of them is because of reclassification. Then why is the administrative support going up by 23.8 percent and not simply something in the range of 8 percent, which one would normally expect?

**HON. L. DESJARDINS:** Well, it's the explanation that I gave, the manager, I guess, came at a lower - I said the technician. It's the manager who came in at a lower range. We advertised at a lower range and then that was increased. The increase is 18 percent but we're talking for three positions, \$15,000 there. I'm talking about somebody who we had to advertise the position at the lowest range, and he came in at a higher range than that.

**MR. D. ORCHARD:** Okay. That's the managerial position which increased by 12.5 percent, but the professional/technical and your administrative support both went up by about 24 percent. Then presumably, they didn't come in at the bottom end of the range because I think, if I followed the answer, they were existing staff.

**HON. L. DESJARDINS:** We're talking about the increase. The figures that we had last year did not have the GSI in the middle. Then, as I say, for the manager, well the position budgeted at a lower level than required in '86-87. For the technician and the professional, we budgeted for a vacant position at the first step. Then when that person came in, the actual requirement was paid, plus the GSI again which was not in last year, which did not figure in last year. So it's not an increase, actually it's not a true picture of an increase of 23, 24, and 12 percent increase as far as their salary from year to year. It's a total of \$15,000 for the three positions.

**MR. D. ORCHARD:** Mr. Chairman, I realize that it's \$15,000 - it's over. It's just about \$19,000 by the time you toss in overtime. I won't dwell on it any longer, but are you saying that the professional/technical position and the administrative support position were both moved up through several increments at once to achieve that 24 percent salary increase?

**HON. L. DESJARDINS:** I'm saying that the managerial position . . .

**MR. D. ORCHARD:** That's the lowest increase.

**HON. L. DESJARDINS:** . . . was being budgeted at a lower level than required in '86-87. Okay? Then I'm saying that the professional and the administrative, the increase was due mainly to the requirement in '86-87 to budget for the vacant position. That would be the professional at the first step of the range, but actually '87-88 reflects the actual requirements and also in part for the three of them, for GSI's, any increments that were not included, I understand, in last year's figures.

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**MR. D. ORCHARD:** Mr. Chairman, under Other Expenditures, what is capital spent on in this program?

**HON. L. DESJARDINS:** Capital, there was 166,300.00. Medical equipment expenditure plan includes, and I'll give you the \$166.3: sound booth in Swan River, 50,000; dependant screening, 3,300; F.M. monitory trainers, 40,000; audiometers, portable and diagnostic, 8,000; hearing aid analysers, real ear measurement, 20,000; brain stem equipment, 30,000; and repairs and maintenance, 15,000, for a total of 166,000.00.

**MR. D. ORCHARD:** Mr. Chairman, your forecast of expenditures indicates that you're going to expend \$43,000 to External Agencies. You've budgeted \$71,000.00. Which external agencies did not receive the monies budgeted?

**HON. L. DESJARDINS:** That amount of money, like you will see in other areas, a certain amount of money that we have to negotiate with the different agencies or clients, and that doesn't necessarily mean that it will all be spent. We try to get the amount, but that is negotiated, and we see what the needs are in certain areas and it's not always all spent. We figured this year that the closest we can come will be the \$71,000.00.

**MR. D. ORCHARD:** Mr. Chairman, I understand that Dr. Magian, when he was director of the department, was quite an innovative individual in the position. He started programs in Dauphin and Brandon, and I believe the Swan River sound booth that you mentioned was one of his initiatives in the department. So I think that he probably carried out his duties within the department quite admirably. Mr. Chairman, could the Minister indicate whether, in discussion with his ADM, he asked why Dr. Magian was taking early retirement?

**HON. L. DESJARDINS:** It was a decision from the doctor himself to take a retirement. He might not have agreed with the direction that that directorate was going, but that was his decision.

**MR. D. ORCHARD:** I beg your pardon?

**HON. L. DESJARDINS:** I said, he might not have agreed with some of the decisions that were taken, but it was his decision to leave, take an early retirement.

**MR. D. ORCHARD:** So is the Minister saying that maybe we've lost a director here because . . .

**HON. L. DESJARDINS:** He's not a director.

**MR. D. ORCHARD:** Well what was he? What was his official title?

**HON. L. DESJARDINS:** Medical directorate in the medical consulting, advice, as the medical person.

**MR. D. ORCHARD:** He wouldn't be referred to as the Director of Hearing Conservation then?

**HON. L. DESJARDINS:** No.

**MR. D. ORCHARD:** Well, what was his title so I get it right?

**HON. L. DESJARDINS:** I'm telling you, he was the medical consultant in this directorate.

**MR. D. ORCHARD:** And how many years had he been in that position?

**HON. L. DESJARDINS:** Oh, I don't know.

**MR. D. ORCHARD:** The Minister indicates he doesn't know. Well, Mr. Chairman, I simply want to indicate that the Minister should ask his ADM whether Dr. Magian, who I've indicated was quite an innovative individual in this program of hearing conservation, left because of the management style and direction of his ADM.

**HON. L. DESJARDINS:** That's his choice.

**MR. D. ORCHARD:** So is the Minister saying that's why he left?

**HON. L. DESJARDINS:** I understand that there has been some concern that he wasn't happy with all the decisions that were made, yes. And the direction was discussed at the time with Dr. Wiltz, who was there previously, and that was a decision of the department. And he left, which could happen, which he certainly is free to do.

**MR. D. ORCHARD:** So I take it then that the Minister is satisfied, having had Dr. Magian take early retirement with whatever concerns and disagreements he had with his ADM, that - if I can put it in as understandable terms as possible - the best person remained and the worst person left.

**HON. L. DESJARDINS:** Well you know I - maybe it's time that we have this out once and for all. I don't mind if there is going to be a committee that's going to come, but I do not intend to participate in the Estimates. This was never done before, that we're going to question every single member of the staff on trial. If there's any complaint, anything wrong, I will investigate it. If we need to have the RCMP, fine, but I'm not going to work with these McCarthy techniques on everyone, people sitting here who can't defend themselves who are constantly ridiculed and attacked. I don't think that's proper, and I'm not going to go along with this any longer. That has never been done before.

If there's something, if there's some criticism, we are responsible for the administration. The decision, the medical part has been reduced, and it's not. I'm not going to start blaming any individual, and I'm not going to start these things. I don't think that's fair. We accept the responsibility. If there is something criminal or something, I will find out, and I can only find out if I'm given the information. There is no doubt that there are people in my department giving a lot of information. I've said that before, they have no business doing that. If they have any criticism, they could come to me, and they're not doing that. So you know this, we can't keep on like this. This was never meant to be part of the Estimates at all.

If there is, as I say, a scandal, I hope we don't have to wait for that if there is something, any embezzlement or something like that, and I think that the member and any member of this committee would do better if they came to talk to me so that I could investigate without having everybody on the alert like this and conducting this kind of a thing. We're not in court. I don't think that we should be accuser, judge in this thing. I don't think that's proper. I've never seen that done the way it is done the last few years.

It places all of us in a very difficult position. I said that, if I know something, I'm going to try to rectify it or find out. I've never refused to meet with anybody. In the meantime, I've got to go along with the senior people we have, and I'll pay for it if there's something wrong. But in the meantime, I don't think that we can conduct these things publicly like this and people are left accused.

If there's something serious, an accusation, fine. I would suggest that that should be discussed with the Minister. I can't prevent any members of this committee from bringing it in committee. But they should - that's when there are accusations to be made - not going after professional people and so on the way we've been doing the last two years. I don't think that's proper.

**MR. D. ORCHARD:** Mr. Chairman, we're dealing with the expenditures of \$80 million.

**HON. L. DESJARDINS:** That's right.

**MR. D. ORCHARD:** Under one ADM's administration. Last year, I pointed out certain problems to this Minister wherein I indicated to him that he should take very seriously some of the concerns that obviously he wasn't hearing, concerns about morale, concerns about direction within this section of the department.

We've got a section of Hearing Conservation where an individual, who I understand was quite innovative and did an excellent job, has left, in the Minister's own words, because he disagreed over direction within the department. That, to me, is of concern on how well the department is being managed, and I've been consistent in my questioning of this Minister. I don't know whether he's been consistent in following it up. I don't know whether he's been consistent in asking whether he is getting the best possible management of an \$80 million budget and, if he isn't asking those questions, then he isn't taking his responsibilities carefully.

Eighty million dollars is bigger than half the departments that we're going to debate in this committee room and in the House. It's an awful lot of money. The least you have to make sure of is that the people, and particularly at the ADM level, are capable of managing it, are capable of providing the leadership and the direction to the department. If they're not, they are Order-in-Council appointments at the pleasure of the Lieutenant-Governor and, as long as you insist in not investigating and finding out whether there are problems, then maybe you're not getting valuable management and careful management of the expenditures. Until you know that, Sir, you are responsible.

It's my job as Health critic and as a member of the Opposition and an MLA, whether I was on this side of

the House or the other side of the House, to make sure that tax dollars are being spent properly and wisely. I don't think you can tell us that in this particular department, because you can't answer the questions as to whether there are management problems from the top. Until you can, don't criticize me for bringing them up because you're the Minister who was warned last year. You can't sit here and say, well nobody's talked to me, nobody's made any presentations to me. Have you taken the initiative on yourself to find out why a professional like Dr. Magian left? Well, I don't know; only you know, Sir. But you've got enough examples before you that you should start investigating.

**HON. L. DESJARDINS:** Mr. Chairman, I agree that the program has to be well managed, but my honourable friend has enough experience and he knows that it's not one person in the department who sets policies. That person has to go along and run with the policies. That's my point. I appreciate that, if there is anything that could be helpful - it is the way it is done. We've never seen it like that, that we have people on trial here, and I don't think that's proper. We've had senior people, we've had professional people, we've had other people on trial.

I said last year, and I'll repeat again, there are some people who do not like changes and they are fighting the changes. Now a policy is set either, in most times - well it has to be approved by the Cabinet, but either a directive that comes from Cabinet or a special standing committee of Cabinet, and we have to go along with that. Or it is something that is developed by the department, the senior people. There are checks and balances. We have directives, things that we do from Treasury Board and from Cabinet, and that will go to our Director of Administration who makes sure that this is done. That's one thing. Then there is the certain budget and all the senior people. Now our senior people, they meet with management committee at the Commission and there is a management committee in the department that meets nearly every week, and that is discussed.

Now it is not uncommon to have people who have been very good - and I'm not talking about any particular person, although I should say that this doctor is known who was one of the founders of this branch or directorate, and he's worked quite well. He's had a very strong contribution. But at times, they don't agree with the direction. Can you just imagine, if every time somebody doesn't agree with a direction that is either mandated by the Cabinet or somebody else, no wonder you would have very bad morale if you had to work with this and if you couldn't carry on and make any decisions.

I am very pleased. I am not saying that everything is perfect. We've had a tremendously difficult situation in the Department of Health. We haven't had the staff that we wanted or the funds that we wanted, and our people have been working practically around the clock and on weekends and on evenings and all that, and I think that they've gone along with what we're trying to do. We'll make mistakes. We'll pay for it.

I don't mind discussing with my honourable friend, but I am saying - and, if he looks back, he will see that things like that, there is a way of dealing with this.

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I would be only too pleased if he has some information, something that we can discuss. He doesn't have to go this route. He can say that, fine, he should expose that. Well, let me expose something. Remember that if you're not correct and if you're beating something or making accusations, that's sick and that's unfair and those are exactly the tactics that McCarthy did at the time, that everybody was guilty, and I don't think that's fair.

I think I'm ready to discuss with any employees. I've never had a request from a doctor to come and talk to me, and I'm ready to discuss with any members of this committee, privately or here, but not this thing of people, the same kinds of questions that were going on last year and it seems to be starting this year, as we had in these committees when we're looking at something for the telephones or something. That's not the intent of these Estimates.

Now as I've said, if there is something wrong, fine. We don't want to hide it, but there's a way of doing it and then discussing it. Right now, it's people who do not agree and then we are unfair with certain people who are there to carry on a policy, and the policy is the responsibility of the Minister and the Cabinet. So we're not going to fault them for having a policy, for going ahead with a policy.

We had a lot of trouble getting doctors to work for us in the past. We've had those who wanted to work for the government, for the department, certainly not all of them, but some of them, who've been after a busy career and saying, well I want to rest, I want to take it easy for awhile, I'd like to get a job with government. I was asked that many times, and now there are certain people that are talking about making it a career in public health. It's tough, and we won't be able to recruit anybody. We've lost some because some of the people who we had before who did not - we've lost very many because a few people did not want any changes, and that's what I was referring to without naming and I won't name people here.

That is, I'll name them personally to my honourable friend or somebody to show him what I mean if he wants to, but I don't think it would be fair. These people did what they felt they should do but, after a certain time, they did not want to change. There are many people who don't want to change. I'm told by all the members of this committee, hurry up, in fact, I'm not bringing these changes fast enough. If we're going to have everybody second-guessing us and people not wanting to change, what kind of staff are we going to have? What kind of morale are we going to have? We would have utter chaos.

They must accept the directive that they are given. If not, fine, maybe we're losing, maybe we're making mistakes in some of them, and that's when we have to be careful. But people cannot just decide, no, I don't want to go in that direction. As I say, I don't think we could blame all that and that's been done now for two years, attacking, and it's nothing else but an attack, naming people by their name or their position and blaming them for everything that seems to go wrong, everything we don't agree with. The responsibility of those people is an important thing. I don't like to treat people like that.

**MR. D. ORCHARD:** Mr. Chairman, the Minister indicates there may be disagreement with the direction in which

he and his senior personnel wish to take in given areas of expenditure.

Do I assume from that, given there's a one-time salary increase because of the early retirement of Dr. Magian; given that, from the adjusted expenditures, funding toward External Agencies is down by a significant amount; Other Expenditures is down from what is, in the Minister's forecast of expenditures, some \$254,000 down to \$208,000, a decrease of \$45,000 in Other Expenditures, i.e., the work that presumably staff is going to do, does that mean that Hearing Conservation is one of the areas of expenditure within the Department of Health that is being de-emphasized and wound down in terms of funding priorities?

**HON. L. DESJARDINS:** I don't think that, as far as the department, it's gone down in priorities. We haven't been able - I'll be honest. As far as I'm concerned, I would like to see it go faster than that. We haven't been able to recruit the audiologist who we wanted. We have lost some. It is not a program that is going up by leaps and bounds. Gradually, we have been taking care of more regions. We haven't cut down that much but, no, we haven't gone as fast as I would like to see it. I think that, in 1981 or so, we were talking about trying to cover as many regions as possible, and then last year we were looking at - not audiologist, but audiometrist. Yes, and we haven't been able to recruit all of them. It hasn't gone down in priority, but we haven't had all the funds. As I say, it's been difficult to recruit. Also we haven't had all the funds that we would need to cover all the regions, but there are quite a number of regions covered now. We haven't covered Norman yet.

**MR. D. ORCHARD:** Mr. Chairman, again I simply have to point out to the Minister that what he's saying in terms of funding isn't being borne out by what his forecast of expenditures showed. Last year, we gave approval for some \$254,000 worth of expenditures by, at that time, four SY's. We now see that the Minister is expecting that he's going to spend \$209,000, \$45,000 being unexpended.

I make the same observation here as I did in Health Promotion, that you've got a significant reduction in Other Expenditures. If that represents a de-emphasis on Hearing Conservation by the government, then fine. I mean, let's talk about it and decide whether that's good, bad, correct or incorrect, but don't befuddle the argument by talking about not having as much money as you'd like to have to do this, that, and the other, because you didn't expend the money to provide those services to the region that we approved at this committee last year.

**HON. L. DESJARDINS:** That's correct. There was \$45,000 underexpended, but that's going to happen with a department like we have. In certain areas, we're overspending; in other areas, underspending it. Sure you plan for the future; it doesn't always happen. You might not be able to recruit or there might be some other reason. I'm sure if you look at any of the departments, that is done. You don't spend exactly the amount of money that you budgeted for. In certain areas, it's more difficult.



For instance, we budgeted for Home Care and, boy, did we overspend in that area! That's true. In other words, we didn't spend that money last year; now we're asking for the money that we didn't spend last year and, as I say, it's not the area that we are going. I would like to go a little faster than that. We can't do it all at the same time; we just can't do it.

**MR. D. ORCHARD:** Mr. Chairman, I simply close on this item, that I'm not in a witch hunt with the Minister and his senior staff. I simply want to point out to you that again, as I pointed out to you last year, all indications point to the fact that you've got some difficulties. If you don't recognize it, investigate it and, if necessary, take action on it, then you are not carrying out what I believe the Minister of Health should do.

**HON. L. DESJARDINS:** I have difficulties; that's granted. As I said before, this is a team approach. There is no doubt that the government and the Minister have to take responsibilities, but then to think that the Minister knows every single thing or everything will be brought to his attention, you should know of all people, that's not correct, especially in a department like this. We're talking about an over \$1 billion budget; we are talking about a bunch of hospitals and personal care homes; we're talking about people pretty well, I paid good salaries in this department; we're talking about a person who has to run this department, who has to look, who is told that we're not moving fast enough in reform, that nobody has done or there was very little done before, that you have to convince.

We're told that we have to be careful in discussing with the professionals, for instance, and there's a lot of time. I'm just giving you the thing that it is impossible to think I know that I can follow every single thing, but I must accept the responsibility. All in all, I repeat, I am very pleased with my senior staff, and I think - and I can't see where we're told there are morale problems and so on. I know that certain people - yes, and I've never asked anybody. Let's put all the cards on the table. I've never asked a single person what their political preference was at any time. I've never employed people, I've never fired anybody, because there was a change of government and I think that they've had a responsibility.

We went along with that and, when we were defeated, I said to the staff that they should have the same loyalty to their new Minister and their new government as they had before, and I believe that. We've worked with these people and they have been loyal and they've worked hard. Again, I doubt there are that many who are supporting this party, but that's not the important thing, as far as I'm concerned if they're loyal and if they do their work.

I appreciate what my honourable friend is trying to do, but I think there are better ways of doing it. I've really never seen that. Very seldom did anybody go after a senior person in the department or a Crown corporation and so on, and you had to know. You were making an accusation then. I'm ready to discuss that with my friend at another time, but the thing is just like a setup. I'm getting the questions one by one, trying to set this thing up and we don't know where my friend is coming from. It seems to me, if there's

some doubt about staff, I want to know. I'd appreciate that, and that should be presented all at once, not in a roundabout way of finding out, of trying to build a case.

We're not in court; I don't think we're in court. I think that we are here to get information, I'm trying to give as much information as possible. I admit with all this different added information that we have it makes it very difficult because I seem to be looking at the wrong book all the time. But it's not the principle, it's the way that it's done. I think we're going a little too far in front of these people who can't say a word, who can't say anything and who are accused and badgered and so on. I don't think that's fair, and I think my honourable friend, on reflecting, will agree with me.

**MR. D. ORCHARD:** Mr. Chairman, I don't find it . . .

**HON. L. DESJARDINS:** I accept the responsibility for policies and I'm not going to blame just one ADM or the Deputy Minister and so on. It's my responsibility.

**MR. D. ORCHARD:** Mr. Chairman, I don't recall at any time talking about political affiliations of staff. I don't ever recall mentioning that.

**HON. L. DESJARDINS:** No, but it's obvious that some of the people who are giving you the information - I mean, we know who I'm talking about.

**MR. D. ORCHARD:** I don't know who the Minister is talking about, but I'm not talking about any staff. I've never attributed any political-affiliated motives to any staff.

**HON. L. DESJARDINS:** No, that's right.

**MR. D. ORCHARD:** From my introductory remarks this year to some of my remarks last year, I believe I dwelt consistently on the competence of his staff, because we are talking people who are administering large budgets.

**HON. L. DESJARDINS:** And knowledge . . .

**MR. D. ORCHARD:** Large budgets -(Interjection)- and I'm trying to find out from this Minister, between Estimates, because I give him some strong warnings, we've had this argument last year . . .

**HON. L. DESJARDINS:** And we'll have it again.

**MR. D. ORCHARD:** . . . and we're having it again, and we seem to have continuing evidence that the problem still exists. That's why I will continue to point the problem out where I find it, where I'm made aware of it, so the Minister knows. If he chooses not to do anything about it, that's his political decision.

**HON. L. DESJARDINS:** But I am.

**MR. D. ORCHARD:** It's my responsibility to point it out to him, if a department, if an official, if an individual is not doing their job properly in my estimation and, if I'm wrong, the Minister can prove me wrong, but I'm

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not going to stop pointing that out. It has nothing to do with political affiliation. It has nothing to do, in my estimation, with loyalty, but I think it has a lot to do with competence. That's what we're talking about, and I hope that the Minister accepts and investigates some of the concerns that I'm going to bring up to him.

Now . . .

**HON. L. DESJARDINS:** Mr. Chairman, I accept that and I will, but then it has to stop somewhere. I mean if it's a question of - it might be that my honourable friend thinks that we have people who are incompetent. I don't think he knows the staff. I think that he's listened to some people, and that's not loyalty and that's not the way it's done, people from the department. Obviously, I've never worried that much about it.

I've never tried to find out who it is, but obviously there are people in the department who are giving a lot of information, and that's what I mean. So there's a vendetta with people who do not agree, who for some reason or other are criticizing our people. I think my honourable friend is taking them as if that's the Bible, that they're the only ones who are right, telling the truth, and he has no confidence. I don't think he knows the staff, and that's what I think is so painful, because these people have been working.

When I say loyal, I'm not talking about loyal to me. I'm talking about loyal to their task, to their dedication and to the government. I'm not preventing - and that's right. My honourable friend never mentioned the question of about party affiliation. I made that statement, but it's obvious that some of the people who have been known for years to give information, some of those people have run for the party. Last year, we had a person who was criticized because his wife knew the wife of the Premier and that kind of thing. That's what I'm talking about it.

If there is anything, fine, let's look at it, and I won't cover up anybody, I can tell you that. I don't care who it is.

**MR. D. ORCHARD:** This section can pass, Mr. Chairman.

**MR. CHAIRMAN:** 2.(e)(1)—pass; 2.(e)(2)—pass; 2.(e)(3)—pass.

The Member for Pembina.

**MR. D. ORCHARD:** Mr. Chairman, under Continuing Care, the Minister indicates that twice in the last fiscal year he went to Treasury Board for Special Warrant approval. Can the Minister indicate whether Continuing Care was part of both those Special Warrant requests for additional funding?

**HON. L. DESJARDINS:** I promised to give you that. We said we would give you it in detail so, if we haven't given it to you, we will give it to you. What I say, I mean, we'll break down the two times that we went for it and, yes, Continuing Care was in both. In fact, that's the majority of the fund.

**MR. D. ORCHARD:** Thank you, Mr. Chairman.

**MR. CHAIRMAN:** The hour now being ten o'clock, committee rise.

## SUPPLY - AGRICULTURE

**MR. CHAIRMAN, C. Santos:** Committee, come to order.

We have been considering item No. 2.(a) Manitoba Crop Insurance Corporation, Administration; and 2.(b) Canada-Manitoba Waterfowl Damage Compensation Agreement.

The Honourable Minister of Agriculture.

**HON. B. URUSKI:** Thank you, Mr. Chairman.

I wanted to place a few comments on the record following on the remarks made by the Honourable Member for La Verendrye and the Member for Arthur, the former Agricultural Minister. Mr. Chairman, there were certainly a few revealing comments made by both those gentlemen, and I wanted to touch on them. My colleague, the Minister of Finance, dealt with the major one made by the Member for La Verendrye where he indicated that the province, on this issue dealing with sugar beets, was in fact a "dictator," as the honourable member alleges.

Mr. Chairman, the honourable member should be aware that it was the Province of Manitoba who drew to the attention of the federal officials in 1984 the whole problem that was evolving in the sugar beet industry. It was this province that led the discussions and tried to move the Federal Government to make some decision dealing with the sugar beet industry in the fall of 1984. For members opposite to allege that we didn't even want to participate in certain meetings, Mr. Chairman, I guess is very shallow indeed, and following upon which several unilateral decisions were taken by the Federal Government on this issue.

The Member for Arthur though, when he spoke, he talked about the Province of Manitoba having the direct responsibility for this issue, because it is a consumer issue. The consumers of Manitoba would benefit by having a sugar plant in this province. Mr. Chairman, the sugar industry has been a national industry, and it is a national issue. Mr. Chairman, the blending of sugar that comes into Manitoba and into Alberta is imported into the Province of British Columbia. The countries that do the exporting into this country - whether it be South Africa, whether it be Australia, whether it be Cuba - are sanctioned not by any province, but are sanctioned by our national government.

And for Conservative members to say that there you are against South African wine but you're not against South African sugar certainly just belittles their knowledge of the industry and knowledge of national politics and policy, Mr. Chairman. It just shows how little they know of this issue, how little they believe that people know of this issue, that they can bamboozle the people on this question.

Mr. Chairman, the consumers of this country, I don't believe, would begrudge paying another two cents or three cents a pound on the domestically produced sugar in order that there be an internal excise tax placed on the sugar that is imported and processed in this country, if it was processed. About 90 percent of the sugar consumed in Canada is from offshore, and that's all that it would take to make sure that there be enough support for a domestic industry.

But it's members opposite who don't seem to want to understand, or whether they care or not, I don't

know, Mr. Chairman, but certainly it appears that they don't want to understand what the position of the farmers was and what the position of this province was. That it is in the interests of all of us in this country to have a national sugar sweetener policy which in fact then would place the farmers and the processors on equal footing. Because for every dollar they wanted to take out of the farmers' pockets in negotiations, they would lose on the other end by the imports that they would be taxed upon. So there would be no basis and no reason for the processors to take more income out of the farmers' pockets, and it would place them at an equal footing.

That gets back to the point of my honourable friend from La Verendrye who said, well the Alberta farmers didn't plant in '86; they planted in '85 . . .

**MR. H. PANKRATZ:** I corrected that.

**HON. B. URUSKI:** Oh, okay. He has now corrected that.

The very reason they didn't plant, Mr. Chairman - now, I'll get back to him - because the Province of Alberta was too quick to put their money on the table and didn't guarantee the producers' return when they were negotiating.

Mr. Chairman, the members opposite, the Member for Arthur as well during his remarks alleged that the packinghouse industry, the demise of Canada Packers in Winnipeg was the cause and neglect of this government. Mr. Chairman, there was an application to the federal Conservatives that, by this time, Canada Packers would have rebuilt in the City of Winnipeg. They didn't rebuild, Mr. Chairman. Why? Because Sinclair Stevens and the federal Tories said no to their application. They said no to Canada Packers, but they said yes to Neepawa.

Now I don't mind, Mr. Chairman, their saying yes to Neepawa, but we have an agreement with every community that we do not discriminate in terms of the provision of sewer and water. We have no direct dealings with the Neepawa Hog Plant. We have dealings directly with every community for the provision of sewer and water.

Now, Mr. Chairman, when they turned down their application, they knew, because we told them, that there would be repercussions in the meat processing industry in this province, and nothing that we did would change their minds. So, Mr. Chairman, the Tories can squirm all they want in terms of meat processing . . .

**A MEMBER:** We're not squirming at all.

**HON. B. URUSKI:** You should be squirming if you're not because, Mr. Chairman, it is their responsibility in terms of saying that the meat packing industry, regardless of where it's located in this province - and that leads me to my final point.

The remarks of honourable members opposite tend to focus on saying, these are your jobs in Manitoba, these are Manitoba responsibilities. Mr. Chairman, when Members of Parliament are elected in this province, they are there to serve Canadians, not only Manitobans. They are there to serve the interests of Canada. When they treat one part of Canada differently than the other,

Mr. Chairman, how can members opposite get up and continue to say that these are your jobs?

Mr. Chairman, there is an equal responsibility on the national government and national politicians to uphold the focus and the strength of representing the entire country. When they are prepared to trade off one sector of agriculture for another and one part of the country for another, Mr. Chairman, that certainly is not upholding the interests of this country. That is certainly not representing the interests of Manitoba farmers or any farmers in this country for that matter. So, Mr. Chairman, let not the Conservatives - you Conservatives in this House - stand up and say that, for some reason, it's Manitoba, and it's your jobs and you have to protect them. Mr. Chairman, they represent Manitobans and Canadians, and they have the duty and they should be duty-bound to carry out the interests of all Canadians in this whole area.

**MR. CHAIRMAN:** The Member for Portage la Prairie.

**MR. E. CONNERY:** Mr. Chairman, I really came here this evening, rather relaxed after a good supper and a bit of a snooze, after having eaten. I would like to just discuss a little more rationally what is happening in the industry but, Mr. Chairman, when this escapee from the stone quarries of Stonewall gets up and starts to talk about some of the squirming and the slime that's going on, I get rather upset.

Mr. Chairman, this Minister - and I think rightly so - put some money into the Neepawa plant for the hog killing plant, and I think it was the right thing that he did. The federal Conservatives put some, I think, \$800,000 into that plant, but this Provincial Government - (Interjection) - and rightly so. We'll find out later, I hope, the total amount of the dollars. It's somewhere in the area of \$2.5 million, \$3 million, whatever, in total into that plant. I think it was a good move. But now he's trying to alibi his way out of it, Mr. Chairman, and I disagree intensely.

Mr. Chairman, I think we want to look at this issue rather a little more sensibly and not a lot of political rhetoric, but what are we talking about when we're talking about the - (Interjection) - you resemble that remark, Mr. Agriculture Minister.

**HON. B. URUSKI:** Mr. Chairman, the honourable member, during his . . .

**A MEMBER:** He hasn't been recognized yet.

**HON. B. URUSKI:** Mr. Chairman, I rise on a point of privilege.

**MR. CHAIRMAN:** On a point of privilege.

**HON. B. URUSKI:** On a point of privilege, Mr. Chairman.

Mr. Chairman, the Honourable Member for Portage la Prairie, in his remarks, talked about me coming from the quarries of Stonewall and the slime that I come from. Mr. Chairman, I wish the honourable member would retract that statement.

**MR. E. CONNERY:** Could I re-emphasize - he's out of order, Mr. Chairman. If you want my point of view, he's out of order.

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**MR. CHAIRMAN:** The Honourable Minister, if it is a point of privilege, has to conclude with a motion.

**MR. E. CONNERY:** What am I withdrawing? He asked for a withdrawal, but what am I withdrawing?

**MR. CHAIRMAN:** There is no point of privilege. The procedure is not complied with.

**MR. E. CONNERY:** Mr. Chairman, we're dealing with an industry that is an ability for people to produce something that is different from grain and other commodities, that there is no market for. We're not just dealing with an industry that is there today, Mr. Chairman, because what we're looking at is what they say is a \$90 million industry. But what could that industry be if the world situation turns around on sugar? It could be an industry that could be a growth industry. We're looking at jobs now. We talk about different jobs, and how many jobs really are there? The spinoff numbers, we'll never know. But, Mr. Chairman, this could be an industry that could grow two, three, four times in size and magnitude, and it's an industry that could be very important to the Province of Manitoba.

We are, in this province, as I pointed out earlier, well over \$1 billion in foreign trade deficit, and this Minister is saying he doesn't care. Let's import sugar no matter where it comes from, even if it's South Africa. Let's import sugar, and this is where it's going to come from. Alberta's not going to produce enough sugar for all of Canada, so we're going to import it from another country.

Mr. Chairman, this is a disaster, but the thing that I'm really concerned about is that this Minister is playing God with a lot of farmers' lives, and there are a lot of farmers in this province that the sugar beet industry is the major part of their enterprise. When you take that away from them, they don't have the land base to go to some other commodity. They just don't have it. Mr. Chairman, what about the people at the sugar plant?

We can laugh and we can talk about loss of jobs. My brother-in-law works at Canada Packers in the kill plant and he's going to be laid off, I presume, unless he's one of the few fortunate ones to get a job somewhere else. He's around 50 years old. Where does he go now to get another job? He's worked his whole life at Canada Packers. We see that one shot down the tubes because this Minister refuses a feedlot subsidy along with other provinces.

We're dealing, Mr. Chairman, with people's lives. When you get to that position I think that this Minister should reconsider, stop and forget about his hate for the federal Conservative Party, his hate for federalism maybe and start to think a little bit about people, the people who he's going to destroy with what he's doing.

**A MEMBER:** Stand up for Manitoba.

**MR. E. CONNERY:** That's right, stand up for Manitoba, but within the Crop Insurance, Mr. Chairman, where some of the people who work in Crop Insurance come from. They're not from Manitoba, Mr. Chairman. I'm not saying that other people in Canada aren't good people, but this Minister is not standing up for Manitoba.

So, Mr. Chairman, I ask this Minister to think of what he is doing and to think of the lives that he's playing with, and some of the lives that he may be hurting seriously with the decision he's making.

Thank you.

**MR. CHAIRMAN:** The Honourable Minister of Labour.

**HON. A. MACKLING:** Mr. Chairman, I know that honourable members here have strong feelings, and I'm glad that they have strong feelings about the issue that is being commented on for some time in this House, but I sincerely regret the fact that members, like the Honourable Member for Portage la Prairie, start name-calling and description which does not befit the dignity of this House.- (Interjection)- Well, Mr. Chairman, I hear that members opposite again are troubled to be hearing put on the record some words of caution and sincere advice. You know, they can keep catcalling, if they will, but I am very concerned that members ought to recognize that this Minister of Agriculture has done more in his tenure as Minister for farmers in this province than in the record of any other government. He's gone to bat for every segment of agriculture in this province, and he has stood up for the beet farmers in this province.

Mr. Chairman, we have members who are talking about cajoling us to sign this tripartite agreement.

**A MEMBER:** It's a big word.

**HON. A. MACKLING:** Yes, it is a big word, because you know what they're asking us for is that the sugar beet growers have to take on part of the liability themselves now.

**MR. G. FINDLAY:** And they're prepared to do it.

**HON. A. MACKLING:** The Honourable Member for Virden says, "and they're prepared to do it." Yes, because you've sold them out. The Member for Virden and all those members opposite have sold them out. All they had to do, Mr. Chairperson, is say to Ottawa, look, we are one country, we want fairness.

**MR. D. BLAKE:** Oh, all that again.

**HON. A. MACKLING:** Oh, all that again. The Member for Minnedosa is going to say, "all that again." Aren't we entitled as a nation to be treated equally, no matter in what province we reside?

**MR. J. McCRAE:** . . . talk about human dignity now, Al?

**HON. A. MACKLING:** Now, the Honourable Member for Brandon West is talking about human dignity. He has a lot to learn about human dignity, and I hope in the course of time, the rest of this Session, he will learn something about human dignity.

Mr. Chairperson, if there is any fault at all, it is because members of the Opposition in this House have not been prepared to say to their friends, their relatives, their cousins, their partners in Ottawa, look, you are taking advantage of the growers. You are trying to unload on

this province responsibility which no government for 25 years did in the past, even despite the fact we had very serious differences with Federal Governments before. No Federal Government did and is threatening to do what you're doing now. We elected you for a new era of equity in Canada, a new government in Ottawa that was going to treat the western provinces with respect and give us fair treatment in respect to the issues that are important to us. That was the mandate that Brian Mulroney obtained from you and your delegates when you went down east to name him as your new leader.

Now, Mr. Chairperson, surely, surely if there is anyone in Manitoba who has more responsibility to make sure that there is accountability on the part of the Federal Government to the farmers, the beet farmers particularly, we're talking about now, surely, if there's anyone who can demand accountability, it is members opposite. But what are they doing, Mr. Chairperson? They're saying that the Federal Government is right in offloading a responsibility that they've maintained, Federal Governments have maintained for 25 years.

Then they say we haven't done anything. We went the extra mile in 1985. We said, yes, we will put money in, but this will be the last time we'll put money in. They agreed. A Federal Tory Government agreed with that. But you know, they still haven't lived up to their commitment. They come back and they say it's got to be an equal sharing now.- (Interjection)- The Honourable Member for Minnedosa wants to just make silly statements from his seat. He should get up in the House and defend his federal colleagues like most of your colleagues are doing.

Mr. Chairperson, they are putting themselves on record as standing shoulder to shoulder with their colleagues in Ottawa, and they are going to pay a very severe political price for that demonstration. Mr. Chairman, at one stage, as one of my colleagues pointed out here recently, there were members - and I think the Member for Charleswood - who said: "I think we in Manitoba are going to have to change our name, the name of the party, because we're so embarrassed by that."

**MR. G. FINDLAY:** Look at the polls.

**HON. A. MACKLING:** Look at the polls, the Member for Virden says. Look at the federal polls, and you are standing shoulder to shoulder with Brian Mulroney, shoulder to shoulder.

The Member for Virden should remember that one Tory that I had a great deal of respect for had a very good description for polls, and I largely associate my thinking about polls with that famous Tory. He can reflect on that. But that famous Tory who came from the west got the same treatment as the second one that came from the west. In no time, he was gone.

And here we have Tory members from Manitoba who have an opportunity, Mr. Chairperson, to wield the kind of influence that their constituents think they have. We have members . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. A. MACKLING:** Mr. Chairperson, I hear a continuous cacophony of noise and unintelligent

statements opposite. The Member for Minnedosa keeps chattering away. I know, Mr. Chairperson, they don't like to hear . . .

**MR. CHAIRMAN:** Can we have some order, please?

**HON. A. MACKLING:** I know they don't like to hear about their shortcomings, but we are going to continue to put it on the record.

You have the opportunity to demand accountability of Mr. Mayer and Mr. Epp and Mr. Murta and Mr. Smith and Mr. Minaker. You have the right to call upon those federal members and say, look, what we want in Manitoba is what you're prepared to give farmers in Ontario and in British Columbia, a full 100 percent payment of programs that you have historically paid.

Mr. Chairperson, much has been said about agricultural marketing generally, and I know honourable members from time to time were on both sides of the fence or they pour the hopper two ways, if you want to put it in another way. You know, Native people would say they speak with a forked tongue. When it's convenient for them, they're for supply and management; when it's not convenient for them, they're against it.

It's clear, Mr. Chairperson, that we have before us a group who are afraid of Brian Mulroney. They're afraid - well, the Honourable Member for Virden laughs. When was the last time that he stood in his place and said he disagreed with the Federal Government on an agricultural program? I haven't heard it. A Federal Government that bailed out the Saskatchewan Government at the last minute and now is spinning out the payment of the billion dollars over an extensive period of time, and a good deal of that money is going to Ontario farmers . . .

**A MEMBER:** How much?

**HON. A. MACKLING:** Well, "how much," the honourable member says. Ask your friend Brian; he'll tell you. Yeah, ask your friend Brian. Maybe you know the formula because Brian has probably asked you, do you think that'll wash? Do you think we can get away with that much? And you say, sure, do it because my constituents, I can lull them into sleep to continue to not worry about this because I'll continue to apologize for you, Brian, says the Member for Virden.

And that's what we've been seeing for days in this House, Mr. Chairperson, a group that is afraid to stand up for their constituents, that has allowed a Federal Government to bully the growers into submission, into a tripartite agreement, and that is trying to bully this government to take on responsibility that historically that Federal Government assumed for 25 years.

The honourable members say, well, you know, it just has to be. It doesn't have to be. You can get in touch with those power brokers in Ottawa and say, look, you have to sweeten the pot. You have to sweeten the pot in respect to this industry, because the Manitoba Government has gone an extra mile. It did it in '85, it did it in '87 by being prepared to put \$3 million, commit \$3 million.

**A MEMBER:** This year?

**HON. A. MACKLING:** \$3 million forward for 10 years to cover its contribution into this industry.

And so we have gone the other mile, but what has happened, Mr. Chairperson, is that members over there haven't been willing to pick up the phone and call into account their elected Members of Parliament. That's what we ask you to do. Use your influence, because you do have influence and the only reason you don't do it apparently - you continue to stand up and apologize for your cousins in Ottawa - is because you're afraid of Brian Mulroney.

**A MEMBER:** You're ridiculous.

**HON. A. MACKLING:** Now, it's about time that you exercised your responsibility to your constituents, exercised your responsibility to the citizens of Manitoba, and called upon your federal colleagues to play fair with the people of Manitoba.

**MR. CHAIRMAN:** The Honourable Member for Fort Garry.

**MR. C. BIRT:** Thank you, Mr. Chairman.

It's interesting to listen to the Minister of Labour spout about the effects of the Federal Government and their failure not to become involved in the sugar beet industry in this province and that we are letting down Manitobans. Well, quite frankly, except for some stirring words that are disturbing the dust in the upper chambers in this room, it's really not having much impact because - the Minister may not be aware of it - on the way home tonight, there was an announcement of a formal group being put together in rural Manitoba to come to the aid of the sugar industry.

**A MEMBER:** Hear, hear!

**MR. C. BIRT:** Those who are in rural Manitoba, who are the Chambers of Commerce, the suppliers of equipment, those people who live in the little towns, those truck suppliers, all those people whose livelihood will be effectively impacted by the closure of the sugar plant operation, not only here but primarily as the suppliers of sugar beets, the growers, the consumers of the product that rural Manitoba is very much dependent upon, that \$90 million industry that is out there and, for some ideological reason, this government can't see its way clear to solve the problem. I find that rather startling.

If this is standing up for Manitoba, that all you can do is shift the blame onto someone else - I mean, that's not only empty pockets, it's empty emotional, it's empty headiness. It says that you are bankrupt. You're ready to run with all kinds of money to save Canada Packers - too late. You're ready to get involved with everyone else, to give money - too late. We hear great self-patting of back when we put money into the computer industry, but a vital industry that's worth \$90 million a year to this province, that is part of the rural fabric, that this Minister of Labour feels so strongly about that they're prepared to cancel on a whim, and they're not prepared to commit.

Now the people in rural Manitoba are not lying down with it. They've prepared an organization. They are

fighting mad. They are going to be in touch with this government and they are going to let him know what it means. Now I know the Minister of Agriculture has been making phone calls, trying to lay the blame off himself onto someone else, but it isn't washing. The headline in Saturday's Free Press said it all, and all the rhetoric in this Chamber isn't going to change that one headline. Well, the disappointing thing is it not only affects rural Manitoba, it affects those people in Winnipeg as well. The little suppliers, the truck drivers, the employees, the spin-off effect in the City of Winnipeg, especially the south end where the manufacturing base is, is at least 500 jobs.- (Interjection)- To whom? To you, I have.

**A MEMBER:** Why don't you make them . . .

**MR. C. BIRT:** Because you have the solution here. You're the people who stand up and say to the Federal Government, please send money. And what do we do it on? What do we claim money on? -(Interjection)- They think it's important that we have a national program to finance day care. Day care has been exclusively, like education, the responsibility of the province. But this government says we want some more money to live up to our election promises that we made a year ago. We don't have it, but we're going to transfer the responsibility to the Federal Government.

Now when the shoe's on the other foot, what are you doing? You're squirming, you're backtracking, you're saying we're not standing up for Manitoba. You have a responsibility to this province, and you're not standing up to it. You are a shame to this province, you're abdicating your responsibility because he's hung up on some ideological silly situation.

**HON. B. URUSKI:** You're standing shoulder to shoulder . . .

**MR. C. BIRT:** And you don't understand.

The Minister of Labour cancelling 1,000 jobs this weekend in the agriculture community, and you stand up there being proud of it. You are a shame to your Ministry.

**MR. CHAIRMAN:** Order please.

The reason why the House has developed, as a matter of procedure, addressing the Chair, is to avoid these kinds of circumstances.

**MR. C. BIRT:** Good point, I got carried away with some trivia. But the important thing, Mr. Chairman, is that for some reason they are prepared to commit, they say, \$3 million but are not prepared to sign anything and are prepared to let an industry go down the tubes, because someone won't call Ottawa.

**A MEMBER:** Stand aside, blame it on somebody else.

**MR. C. BIRT:** Now you wonder, what are they doing? We have to make the phone calls.

**A MEMBER:** Right.

**MR. C. BIRT:** We made the phone calls when there was a shortfall in the transfer payments, remember

that? And only we got results out of it. Remember, last year, they got extra money; the year before, they got extra money. They couldn't do it. One of our former colleagues got involved, made some phone calls.

**A MEMBER:** Went down there.

**A MEMBER:** They need us for Bill 13, they need us for Bill 8.

**MR. C. BIRT:** There has to be a will. In that discussion, there was a will to make it work. We were prepared to cooperate with the government to make it work. The willingness is here. We have been urging, but there is no willingness on that side of the Chamber, Mr. Chairman, and therein lies the problem. If they won't move, then there is no solution, so they are prepared to condemn rural Manitoba, they're prepared to write off a great number of jobs in the City of Winnipeg and they don't care.

Well, Mr. Chairman, it's a sad day for Manitoba when they can stand up and be proud of a record of closing down large employment in the City of Winnipeg, based on one of the primary industries that we have in this province, namely, agriculture processing. It makes one very disappointed in them.

**MR. CHAIRMAN:** The Honourable Minister of Industry, Trade and Technology.

**HON. V. SCHROEDER:** Thank you, Mr. Chairman.

The Member for Fort Garry was accusing the Province of Manitoba of attempting to offload day care out onto the Federal Government. Now, Mr. Chairman, it is true that we are asking for a national day care program. We believe - like 100 years ago, we started working on a public school system; and like 25-30 years ago after Saskatchewan, we started working on a public medical care system and so on. But this is something that is a national issue that should be dealt with nationally.

But in the meantime, Mr. Chairman, is the Province of Manitoba reducing its payments for day care? Is the Province of Manitoba eliminating day care spaces? No. The Province of Manitoba has for this coming year announced again a significant expansion in day care seats and in day care funding, as we have since we've taken office. And if the Federal Government were to be doing the same kind of thing with sugar beets, we wouldn't be having this discussion here tonight, so let's not pretend that there is some kind of similarity between those two issues. The Member for Fort Garry says we're trying to shift the blame onto someone else.

**A MEMBER:** Right.

**HON. V. SCHROEDER:** Whose program is being cut? Is it the federal program that's being cut? Or is it a provincial program that's being cut? Who is shifting the blame onto whom? What hypocrisy! I'm sorry, not hypocrisy. If I could say "hypocrisy," it's about as close to it as one could get.

It is very, very clear that it is much more similar to a municipality saying to its farmers, we're not going to plough your roads anymore, and the farmers then

attacking the school board, than it is to a Provincial Government saying, well, we're not going to take over a whole or half a program just because the Federal Government wants to go out.

If a municipality was to cut ploughing of roads, nobody out there in the rural areas would attack the school board, and yet that's what you're doing here. If the municipality came or the school came to you and said, we're going to cut back on education unless the municipality kicks in another half of the amount, would people go out there and attack the municipality? And if the municipality says, we're eliminating the police, would you go and attack the school board?

When we make decisions in terms of policing, we don't run and hide behind the Federal Government. We don't run and hide behind the municipalities and say, it's your problem. We say, we've made a decision and, if you want to attack us for our decision, fine. It's us. We're right here; we're prepared to stand and fall with our decisions. We don't play little games saying, oh, it's the other guy's fault; it's the other guy's fault.

The Member for Fort Garry, of course, has it wrong on a third count when he says that we're prepared to put up \$3 million but we're not prepared to sign an agreement. We are prepared to sign an agreement, and let us make it very, very clear that we are prepared to sign an agreement. Our original position has been, very clearly, that we believe this program is as much a federal program as apples, for which the Federal Government pays 100 percent, an unnamed commodity under the same Stabilization Act; 100 percent they pay for soybeans; they pay 100 percent for winter wheat. One of the characteristics all of those commodities have is that the payments go to Quebec and Ontario. That's what they have in common.

Now here you come along and you say, on this one, it's perfectly okay for the Federal Government to get off that 100 percent, off a federal program. When they get off it, let's attack the Province of Manitoba, and you say that makes perfectly good sense. Well, Mr. Chairman, I do not believe that makes any sense whatsoever.

We have . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. V. SCHROEDER:** Mr. Chairman . . . You may not like what we're saying; we're going to say it anyway.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**A MEMBER:** We don't like what you've done with the Estimates. We don't want to waste all night listening to you anyway.

**HON. B. URUSKI:** Ohhh, ohhh! You wanted emergency debate; now you don't want to discuss it.

**HON. V. SCHROEDER:** Once the member for Minnedosa is finished, then I will start again.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. CHAIRMAN:** Members can always have their chance if they want to take the floor.

The Honourable Minister of Industry, Trade and Technology.

**HON. V. SCHROEDER:** I don't mind, Mr. Chairman, if the Member for Minnedosa isn't listening, but I do mind if he tries talking louder than I do when I have the floor.

**MR. J. DOWNEY:** He was saying something.

**HON. V. SCHROEDER:** Oh, I see the member is back from the woodshed again, but his flower is wilting.

Mr. Chairman, I'm asking for some quiet. I'm not asking for attention - that would be too much to ask of members opposite - but there are people outside of this Chamber to whom this is an important issue, to whom this isn't an issue for cackling, to whom it isn't an issue for just a bunch of nonsense. They want to have a solution, and I suggest, Mr. Chairman, that the solution lies at hand if people are prepared to listen and to do what is right for Manitoba.

We have here a position where we have the Member for Minnedosa saying from his seat, you blame everything on the feds. Yet, Mr. Chairman, we don't have a program here where we are offloading a program onto the Federal Government. They are attempting to offload a program onto us.

Mr. Chairman, going back to the statement that the Member for Fort Garry made that somehow we're prepared to put up \$3 million and we're not prepared to sign an agreement, we have said all along we're prepared to sign an agreement but, when the Government of Manitoba signs an agreement, we live up to it, not like the Federal Government. The Federal Government signed an agreement with us in 1985. The agreement stated very specifically that we would not be involved in payments from the Province of Manitoba after 1985, and here we are. We have that bunch of sheep down there, as the industry is going down, saying nothing about the fact that it's their cousins in Ottawa who are violating that agreement, not only violating a legal agreement. They are violating 25 years of the spirit of the agreement. They are burying John Diefenbaker deeper and deeper and deeper.

The Diefenbaker Government brought forward this program. It's been a good program. They are trying to now save, by this tripartite agreement, something like \$12 million over a 10-year period. That's what they're attempting to do from the old ASA program on the backs of the Manitoba farmer and on the backs of the taxpayers of Manitoba. And who do these people attack for that? Us.

When they have again the burial of John Diefenbaker going on and on and on right now and, in Southern Manitoba, people can hear it happening. They see the \$250,000 a year that Brian Mulroney is paying to Dalton Camp and his office to do all of his nice calculations for Canada, \$250,000 a year for Dalton Camp to give them this kind of advice. Of course, it's happening after Quebec is out of sugar because, if it was in sugar, this would never have happened. It would never have happened.

Mr. Chairman, we hear the Conservatives going back some years and saying what good boys they were when they tell us that, in 1985, they paid us almost as many dollars in equalization as in 1984, and then they tell

us that we're supposed to jump up and down for joy because we received almost as much in 1985 as in 1984.

They are not talking about the fact - when we go on with those kinds of discussions - that payments by the Federal Government to the province, as a proportion of our overall expenditures, are down and are going to be down again in 1987-88. I'm not talking about the pulling back of the Federal Government from a number of its old commitments. What they talk about though are things like somehow, in a negative way, saying hey, we were going to put some money into the packinghouse industry.

Well, Mr. Chairman, we're still going to probably be putting some money into the packinghouse industry, but we will be doing that on the basis, on the calculation of net benefit to the taxpayers of Manitoba. Secondly, we have seen that as a historical responsibility which we have not said, never said, is strictly a federal responsibility. In a country like Canada, there are always going to be the historical facts and historical anomalies where sometimes one level of government has control of one program and another has charge of another. When one particular government wants to move out of a particular program or subsidy area, and if they expect another level to come in, I think it's only fair that be discussed with that other level of government first.

We hear the Member for La Verendrye making probably the champion statement of the day, referring to us as "dictators." Let's go over what happened here. We have an agreement with the Federal Government saying sugar in Manitoba - we don't care about the rest of the country for this - from 1985 on, after the 1985 crop year, will be a federal responsibility. We have that in writing from the Federal Government. They have that as, I would suggest, a sacred trust. We haven't heard the words "sacred trust" for a while but, if there ever was a sacred trust on the part of the Conservative Party for Southern Manitoba, I would suggest that sugar beets was a sacred trust given from John Diefenbaker through Joe Clark and into Brian Mulroney and nobody, nobody, nobody ever suggested, when Brian Mulroney was elected, that Brian Mulroney was going to take the sugar policy off the Federal Government and turn it into somehow a tripartite thing. That was never ever suggested, and yet here they are saying that it's our fault that the feds are getting out of protecting sugar. It's an incredible notion.

Mr. Chairman, the Member for Fort Garry referred to a \$90 million industry. We all recognize the importance of the sugar industry. However, the sugar industry is nowhere near \$90 million in Manitoba. The only way you can get to \$90 million is by recounting and recounting and recounting the dollars. The last year we have numbers for, the farmers got from the sugar company just over \$7 million for their crop, another \$6 million from two levels of government. Even if -(Interjection)- Pardon me? They got 50-50 under an agreement.

Mr. Chairman, through you to the Member for La Verendrye, in 1985, there was 50-50 funding of sugar from the Federal and Provincial Governments under an agreement which the Federal Government signed, saying that the province would no longer be on the hook after the 1985 year. So anything that happened



in 1986 should, according to that agreement, have come from the Federal Government, as should 1987 and 1988 and on into the future.

That's the point. The agreement is there and I wish these people would realize that, unless they go after the Federal Government in the only way the Federal Government understands, nothing's going to happen. So we will do that with Canada Packers, as I started to say. We will do that with the computer industry. Incidentally, this is the first mention . . .

**MR. A. BROWN:** You've lost Canada Packers. That's game over.

**HON. V. SCHROEDER:** The Member for Rhineland says we've lost Canada Packers. Sinclair Stevens and Brian Mulroney and Jake Epp and all his friends refused Canada Packers' assistance in 1984, and the member must understand that the Federal Government has some very significant responsibility for what happened at Canada Packers.

The Member for Fort Garry is the first person - (Interjection)- Well, I'll go into that, Versatile. You want to get into Versatile; I'm not sure how relevant that is, but the Agriculture critic, Mr. Chairman, is referring to Versatile, which said the day after they had the signing ceremony here in Winnipeg that the \$45 million the Federal Government put in was very nice. They didn't need it, but it was very nice. Maybe they should have had some negotiators from the Provincial Government, not that we're in any way not delighted with Ford-New Holland coming to Manitoba. We've met with their people a number of times, and we're wishing them well.

But in terms of the computer industry, the Member for Fort Garry is the first person to raise the issue of the computer industry from that side of the House. I want to tell the member, through you, Mr. Chairman, there's not one penny of subsidy by the Provincial Government, not one penny of subsidy for hundreds of jobs and spinoff worth more than \$60 million in exports over a two-year period, not one penny of provincial subsidy. So let's make that very, very clear.

One of the big differences is that, at the end of 10 years, there will be no obligations on the province. With this particular arrangement, in accordance with the offer made by the Federal Government, there is no guarantee that it won't be a \$5 million deficit, a \$10 million deficit or even far more than that. We're quite concerned about that, and I think we have responsibility to deal responsibly, on behalf of all Manitobans, when we're entering into these kinds of negotiations.

The only offer put forward was one of straight tripartism, \$315,000 roughly a year for a 10-year period, plus province, Federal Government, and the growers picking up one-third of the deficit each. We said, given the agreement we have - and we had a different agreement than Alberta did in 1985. There have been references made by people opposite that somehow, because there is an agreement with Alberta, we have to have the same agreement. We didn't have the same agreement in 1985 with the Federal Government as Alberta did. We don't need the same agreement now, and we said that we don't really think that the Provincial Government should be involved with any deficit above that \$315,000 per year for 10 years. We're prepared to sign that kind of an agreement.

It was the Federal Government who refused to do any negotiation whatsoever. They put one offer on the table and they said take it or leave it. There was absolutely no negotiation, and the suggestion by your Agriculture critic, Mr. Chairman, by the Tory Agriculture critic, that somehow we would refuse to bargain is simply historically incorrect.

The Federal Government, notwithstanding the legally binding agreement with us and the sacred trust with the Tory farmers in Southern Manitoba, notwithstanding those issues, just went and said, boom, we need one-third, one-third, one-third, and there's no producer in Manitoba who would prefer one-third, one-third, one-third to a fully funded federal plan, not one. The Provincial Government certainly doesn't want that, and yet that's the position they forced us into. You know, Mr. Chairman, if it was in an NDP seat, I believe the Federal Government wouldn't have attempted it. They're doing it because they know they can get away with it in Tory seats because, there, people will turn their guns to us. I think that's the sad thing, that you people are not standing up for Manitoba.

If you people told your farmers to get at Ottawa, if you told your farmers that there's no way you should back that bunch if this is what they're going to do to you, Jake Epp and Charlie Mayer would have something to go to Cabinet with, and I believe that they would like to do that. I believe that they might even be successful. In fact, I'm sure they would be successful if you had that movement turn to Ottawa to do what is right, to do what is fair for the farmers, to do what is fair for Manitobans, to do what is fair for this region. If you get on with that job immediately, then I believe we can save that industry and we can all celebrate.

Certainly, we're prepared to sign the agreement in accordance with the proposal we have made, and we will live up to the agreement. When we sign something, we're prepared to live up to it. We're not going to back off of it two years later.- (Interjection)- You judge for yourself whose word is any good. We have a legal contract in place with the government. We have, as I say, a sacred trust with the farmers of Southern Manitoba who, for all those years when they could have been on the government's side by voting Liberal, voted Tory and kept believing in you, kept believing that there was something about a Conservative Party that would do something more for the farmers than the Liberals did, that Trudeau was the bad guy. There was no way that the Conservatives wouldn't do at least as well, so you have a job to do.

You can have a lot of fun and attack us, and see the sugar industry go down the tube, or you can get serious and have a little bit of dignity. Look in the mirror in the morning and say I've done a good job for my community, regardless of what my federal party has done to them. I've done the right thing. You have that choice and, if you did that, if you took the choice that you know you should be taking, you could save the sugar industry.

**MR. CHAIRMAN:** The Honourable Member for Virden.

**MR. G. FINDLAY:** Thank you, Mr. Chairman.

I think, as the Minister responsible for Agriculture, it might be time for him to get out of the shell there

and get up and tell us where he stands on the issues addressed by the member sitting beside him, who seems to be there as his bodyguard to protect him. Maybe he's the real Minister of Agriculture now, and the fellow in the white shirt is just the secretary.

Mr. Chairman, I mentioned it this afternoon, but I'd like to again go back to the National Agricultural Strategy, which the Minister of Agriculture signed along with all other Ministers of Agriculture in this country, and just to read briefly what the Minister signed so that you know what he's committed himself to.

There are six principles involved in this agreement, six basic principles. I'll just read three of them into the record tonight, because they address the issue in front of us. The first one is full recognition of the sharing of jurisdiction relating to agriculture; the second one, the government action that is equitable and sensitive to regional economies; the third one, support for family farms in times of substantial need; and, the last one, effective cooperation among governments.

Mr. Chairman, the Minister of Agriculture has indicated by signing this agreement that he is in full recognition of the sharing of responsibility and he's prepared to get involved in effective cooperation amongst governments. That means between Federal and Provincial Governments. He has a letter in his file - maybe he's thrown it in the basket, I don't know what he's done with it - dated March 30, addressed to him from the Minister responsible for the Canadian Wheat Board, stating where they stand in terms of the signing of the tripartite agreement that will be signed by Alberta this Thursday. I have asked him repeatedly today if he is prepared to bring forward any counteroffer that the Federal Government considered, that the growers can consider. I would also like to ask him if he's even answered the letter, or is he so callous that he just sits there and thinks that I'm not responsible for anything and I'm not accountable? I don't have to respond to people's letters.

Mr. Chairman, the Minister for IT and T made the statement that they are prepared to sign the agreement. Mr. Chairman, does he mean the agreement that is now on the table, the agreement that Alberta will be signing on Thursday, April 16? Is that the agreement he's referring to, or is there some mythical agreement that they have not yet tabled? If they are good for their word and they're prepared to sign something, I think they can give us the exact details here this evening.

We've talked on this issue long enough. We've had no effective response from the government side as to what they are prepared to do and the eleventh hour is no question here. I can assure them that any logical person at this stage of negotiation will consider a meaningful alternate agreement if they will bring it forward.

The growers are prepared to look at other options. This government has not brought them forward. He has not brought them forward.

The workers at the plant want something on the table that everybody can deal with. But, Mr. Chairman, come Thursday, once the Alberta agreement is signed, the option of terms of changing any details of the agreement become very, very difficult, because all parties will have signed, effectively agreeing, with the exception of Manitoba. That could well mean the effective end of the industry, unless this Minister and the Minister for

IT and T beside him are prepared to bring forward a meaningful response from this province as to how they will participate in the agreement. The signing of the National Agricultural Strategy commits the province to operating under the Agricultural Stabilization Act with new stabilization agreements being a shared responsibility, not necessarily always 50-50, but some shared responsibility.

The Minister says that he was unilaterally forced into agreeing to tripartite. The initial statement, news release, on tripartite was March 12, 1986, over a year ago, over 13 months ago. He has not yet effectively responded to that or come forward with any alternative.

Mr. Chairman, it's time - there is no more time to play games - to come forward and say straight out, are you prepared to support sugar beet industry in the future or, because of political reasons, are you prepared to let it go down the tube?

Mr. Chairman, we are in the Province of Manitoba, we are the Opposition in this House. We've done our level best to bring reason to this situation in terms of this government. I cannot understand why he steadfastly refuses, because the economics are there. The economics can be made to work, if you are prepared to come forward and sign the agreement that's on the table. Failing that, you'll have done a great disservice to the Province of Manitoba.

Mr. Chairman, I would like to read effectively what I think is a synopsis of what many growers believe. This is a letter written to the Minister of Agriculture dated January 5, 1987. I'll read the first paragraph and the last paragraph: "Dear Mr. Uruski: I cannot believe what is written in the January 1, 1987 edition of the Manitoba Co-operator. We find you are willing to destroy the sugar beet industry in Manitoba which generates \$90 million annually by refusing to join the tripartite system which would cost the Manitoba Government a mere \$315,000 with approximately . . ."

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. G. FINDLAY:** This is one of the farmers who you say supports you. This is from a grower in Southern Manitoba - a grower. These are the people you're prepared to sacrifice. This is a grower, Mr. Minister. I said this was a letter dated January 5, 1987, addressed to you, Mr. Uruski. I'm surprised, maybe you have not read it.

"With approximately 1 million people in Manitoba, that amounts to" - referring to the \$315,000 - "31.5 cents per person per year to save a \$90 million industry." That's how they look at it, Mr. Chairman. That's all he feels the producers and the consumers of Manitoba would have to contribute to save the industry.

And now let me read the end of the letter: "It seems you are not satisfied with the current rate of farm bankruptcies in Manitoba. You seem to want more by eliminating the sugar industry in Manitoba even though, for every dollar a farmer puts into circulation, economists have agreed it travels through the economy seven times. Using this formula, Manitoba would be losing more than a \$90-million industry. The Alberta Government has used their intelligence and not childish tactics" - and he underlines these, "and not childish

tactics and have joined the tripartite system. Why does Manitoba not do the same? How can you say the sugar industry is not the Manitoba Government's problem when it generates \$90 million annually? Think again. If you let this industry die, sugar prices will go up in Manitoba. All Manitobans will lose, not just the producer. You need this industry. We need this industry. We need your support."

Mr. Minister, that's directly to you from a grower in Southern Manitoba, and I would daresay that, if you phoned them up as you say you do, you would get a very similar answer in many, many cases.

**HON. B. URUSKI:** We're phoning them all, and believe you me, we've . . .

**MR. G. FINDLAY:** What kind of response are you getting when you phone them? Be honest, Mr. Chairman.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. G. FINDLAY:** Mr. Chairman, is the Minister prepared to get up in his place at this moment and give us some alternative proposal that is meaningful, that is supportive to the industry, that the growers can consider, and that the Federal Government can consider? The eleventh hour is here; it is time to put it on the table.

**HON. B. URUSKI:** Mr. Chairman, I want to address the comments of the Honourable Member for Virden very clearly. I was asking the honourable member to table the letter from Charlie Mayer, and I was hoping that he was going to produce it and read it, Mr. Chairman. I regret, when he started reading a letter from a producer, that I mistook it for the letter from Charlie Mayer.

But I want to tell my honourable friend that everything that the farmer wrote in his letter, we have kept that commitment. We have kept that \$315,000-a-year commitment, Mr. Chairman. We are prepared to sign an agreement.

Mr. Chairman, I want the honourable member, if he has that letter, because I don't have Charlie Mayer's letter here, I want him to produce that letter and tell all the people of Manitoba what kind of a counteroffer there was in Mr. Mayer's letter on March 30, the day after I met with him or the day that I met with him in Ottawa. Mr. Chairman, I met with him in the morning of the 30th, asking him whether or not they're prepared to see to our requests and deal with the proposal we made. That was his response in that letter. I want the honourable members opposite to show me what counterproposal there is in that letter, Mr. Chairman, that they now say that they want, on the eleventh hour, some counterproposal to them.

Mr. Chairman, we've always said, when we discussed this matter on sugar beets in this House earlier, a week ago, we said we were prepared to sign an agreement. All they had to do was take out the premium structure and the question of deficit, and we would have signed the agreement. Mr. Chairman, we said that. Now he's shaking his head. Mr. Chairman, we were prepared to deal with that.

Now they want to move onto other topics, Mr. Chairman. They wanted an emergency debate this afternoon on sugar beets. Now they want to move onto other topics. They don't like a number of my colleagues standing up, who know the industry as well as I do, who are very well-versed in this whole issue, standing up and also making points.

Just because he has three, four or five colleagues on his side who wish to debate, Mr. Chairman, should I prevent some of my colleagues from certainly entering this debate? Absolutely not, Mr. Chairman. But, Mr. Chairman, let them not stand in this House and say they want an emergency debate and then have the shallowness, saying, look, it's no longer an issue, let's get on with the Estimates. Mr. Chairman, that's not good enough. That's not good enough for the farmers; it's not good enough for me.

Mr. Chairman, the member again quoted from the National Agricultural Strategy. I wish you would have read it, Mr. Chairman. I want to read something into the record. I want to read that whole area dealing with the program because it's worthwhile to read into the record, Mr. Chairman. He read the five points on page 8, but he forgot to read the top of page 7, but I'll read the whole thing.

"Protection against production and market risk. Producers of primary agricultural commodities periodically experience sudden changes in production conditions, costs and market prices. These fluctuations are often caused by factors beyond farmers' control. Crop insurance, stabilization programs and market regulation systems have been developed to provide a safety net to producers and to increase stability in agriculture and the food sector.

"The Ministers of Agriculture recognize that a level of protection against risks is essential if producers are to plan for the long term. As a result, they have reaffirmed their commitment to national programs in the areas of crop insurance, farm price and income stabilization and supply management."

Mr. Chairman, since when did Provincial Ministers agree that farm income support programs are to be of a provincial nature? I will repeat for the twentieth time - and I will not leave any Conservative member standing up in this House saying that income support is a provincial matter - it is only a provincial matter, Mr. Chairman, because of the neglect of successive Liberal and Conservative Governments.

The Provincial Governments have been put into the position of having to support incomes of producers, Mr. Chairman, and no Ministers of Agriculture agreed to some flimflam that the Honourable Member for Virden decides to put on the record, saying that somehow we are now agreed to take the Federal Government off the hook.

Mr. Chairman, there is no counteroffer. I want the honourable member, if he is true to his word that there is some negotiating to happen, I want him to tell us what the counteroffer is in that March 30 letter that he has. Let him tell us. I want to know.

**A MEMBER:** You tell us.

**HON. B. URUSKI:** Well, Mr. Chairman, I am telling you that there isn't any. I don't have the letter with me;

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otherwise, I would table it. He has a copy of it. Why doesn't he table it so I can even see it now because it's back in my office? I want him to show me what the counteroffer is, Mr. Chairman, in that letter that we're supposed to respond to. Why don't you get up and read the whole thing into the record from Charlie Mayer as soon as I'm finished? I want to hear what we're supposed to be responding to, Mr. Chairman. The Honourable Member for La Verendrye has a copy of that letter.

**MR. CHAIRMAN:** The Honourable Member for La Verendrye.

**MR. H. PANKRATZ:** Well, thank you, Mr. Chairman. I just want to read into the record what it states in this March 30 letter which the Honourable Minister is referring to: "The Federal Government has made every effort to include Manitoba in all discussions leading to the development of this stabilization program. This proposal is not being unilaterally imposed on any province."

**HON. B. URUSKI:** The member has quoted from a letter from the Honourable Charles Mayer, which I don't have a copy here. Would he please table that letter in this House so I could have a look at it?

**A MEMBER:** Mr. Chairman, on a point of order.

**HON. B. URUSKI:** Well, Mr. Chairman, when a member reads from a document, from a letter purporting to be from someone, it is an obligation of that member to table that letter in this House.

**MR. CHAIRMAN:** Under Rule 29.1, it states, "Where in a debate a member quotes from a private letter, any other member may require the member who quoted from the letter to table the letter from which he quoted but this rule does not alter any rule or practice of the House relating to the tabling of documents other than private letters."

**HON. C. BIRT:** Mr. Chairman, you said a private letter, and I believe the Minister acknowledged that he received a copy of the letter himself. That makes it a public letter. The Minister has that letter; then there's no need to table it. We're only dealing with private letters, private correspondence. It isn't in the purview of the Minister and, therefore, he doesn't have to table it, and it's outside the rule.

**MR. CHAIRMAN:** It's up to the Member for La Verendrye.

**HON. H. PANKRATZ:** Well, Mr. Chairman, I think the Honourable Minister allows me to read a few sections of it in for the record. Mr. Chairman, I want to take this opportunity to just read in one more portion of this letter for the record.

"This policy recognizes a joint federal-provincial responsibility for agriculture as agreed by all Agricultural Ministers . . ."

**MR. CHAIRMAN:** Order please.

A point of order is being raised.

**HON. B. URUSKI:** Mr. Chairman, I asked the member to table a letter. I've just indicated . . .

**A MEMBER:** There is no problem.

**HON. B. URUSKI:** Oh, there is no problem. You are tabling it . . .

**MR. C. BIRT:** I had argued on your point of order, saying it wasn't a point of order.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. CHAIRMAN:** The Member for La Verendrye still has the floor. The member yielded the floor to the Member for Fort Garry?

The Member for Fort Garry.

**MR. G. BIRT:** Thank you.

Earlier in debate, the Minister of Agriculture, from his seat, Mr. Chairman, indicated that he had been talking to the growers over the weekend.

I would like to ask the Minister of Agriculture if he has phoned all 400 growers in the Province of Manitoba.

**HON. B. URUSKI:** No, Mr. Chairman, I have not phoned all 400 growers. We have returned almost all of the telephone calls that we have had to our office - we have a number of calls - but I have written all 400 growers in the province.

**MR. G. BIRT:** Is the Minister prepared to table the letter tonight of the correspondence that he had with all 400 growers?

**HON. B. URUSKI:** Mr. Chairman, I'd have to go back to my office to look for those documents, but I can certainly bring that letter tomorrow.

**MR. C. BIRT:** So it's perfectly clear then. The Minister was only phoning those growers who have called his office, and he wasn't or didn't institute a telephone campaign to contact all the growers.

**HON. B. URUSKI:** Mr. Chairman, I thank the honourable member for his comments. No, I have not instituted a phone campaign to phone every grower, if I left the honourable member with that impression. Mr. Chairman, but we do return the phone calls if I don't return them myself.

But I want to tell you that in all those calls, many of those growers could not reach their Members of Parliament. They were unable to talk to their Members of Parliament. When they were asked, have they spoken, have they raised their concerns with them, Mr. Chairman, they could not reach their elected representatives.

Mr. Chairman, when I asked, as was pointed out today by my colleagues who have also been receiving phone calls from sugar beet growers, whether or not they've talked to Jack Murta, the M.P. for Lisgar, whether they've talked to Charlie Mayer, whether they've talked to Jake Epp, they are having one heck of a time getting hold

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of some of those people. In fact, just as I left the Chamber here this afternoon, I bumped into one of the sugar beet growers from Altona this afternoon. I think it's Mr. Rempel who was in the building. I want to tell you . . .

**MR. A. BROWN:** Big John.

**HON. B. URUSKI:** Big John, I don't know, if that's what the Honourable Member for Rhineland calls him.

**MR. A. BROWN:** I know him well.

**HON. B. URUSKI:** Well, Mr. Chairman, the Honourable Member for Rhineland says he knows him well . . .

**A MEMBER:** And he was right. He said he's a Liberal. He meant the guy was right to be a Liberal, look at the Tories . . .

**HON. B. URUSKI:** He's a Liberal?

**A MEMBER:** Yes.

**HON. B. URUSKI:** Well, Mr. Chairman, he understands - he certainly would never be a Tory after this one, you can bet your boots. He will never be a Conservative, Mr. Chairman. If he could organize every Conservative, and he says they're hiding under rocks. They don't want to embarrass the Federal Tories, they're so upset.

You know this is the funny part. He says, you know, I know that they're trying to shaft you. We're very concerned about the industry. I said, have you tried to get a hold of them? He says they won't return your call; we can't talk to them, Mr. Chairman. They're all hiding. I said, well will you talk to these fellows? We're trying to organize, he told me, producers in that area to talk to Conservative members. Mr. Chairman, the Honourable Member for Rhineland should be prepared, I hope, for producers to contact him in terms of making sure that his voice is heard in Ottawa, but he's the only one that at least had an inkling, gave us an inkling that he was not happy with what Ottawa was doing.

But for honourable members opposite to say somehow that we sign an agreement, a National Agricultural Strategy that somehow now says that everything that's on the table is tripartite - Mr. Chairman, \$300 million for the dairy industry, 80 percent of which is east of the Manitoba-Ontario border; 100 percent for corn, soybeans, beans. Those are 100 percent ASA payments on an ongoing basis.

Mr. Chairman, we go back, this year \$12.5 million of income stabilization payments to apple growers. For what years? 1983 and '84 in five provinces, and members opposite had the audacity earlier today to say that Manitoba sugar beet growers received their stabilization payments for '83 and '84 because the Federal Government committed itself to 1986? Mr. Chairman, I intend to send that Hansard out to every grower, and let's see if they agree with the Member for La Verendrye and the Agricultural critic. You guys got your money already for those two years. Wait till the growers find that out, Mr. Chairman, what a sacred trust. Mr. Chairman, they just announced \$15 million to pay tobacco growers to get out of the industry, \$15

million to get tobacco growers out of the industry, and they can't support the sugar beet industry in this province after they signed an agreement?

Mr. Chairman, those members, I venture to say, will have nightmares if they don't get off their butts and phone their federal members. They should have nightmares, Mr. Chairman. The Member for Portage should not be able to walk back in his community and say, I didn't do my job. I didn't represent you in talking to my federal colleagues after getting the shaft from you. Mr. Chairman, the Member for Rhineland should not be going back home without phoning his federal colleagues - the Member for Emerson, likewise. Who else is there in that caucus? The Member for Pembina, Mr. Chairman, the Member for Morris, all Conservative members. The member - well, I have to tell you we have members on our side as well in the Teulon area, in the Interlake region as well, Mr. Chairman.

Mr. Chairman, my staff have sent me the letter and I want to read the letter for the record - and I will table it - that I have sent to the growers, and I think it's worthwhile for the record.

**A MEMBER:** I've received one of those.

**HON. B. URUSKI:** Well, okay. Mr. Chairman, "As you are aware . . ." - this is to the sugar beet growers - ". . . income stabilization for sugar beet producers has been the subject of intense discussion between your representatives, the Federal Government and Provincial Government for almost two years.

"On February 18, 1987, I wrote to the Honourable Charles Mayer, Minister of State for the Canadian Wheat Board, restating the concerns of the Manitoba Government about the Federal Government's proposed tripartite stabilization plan.

"Mr. Mayer replied on March 10, 1987, but did not address our concerns which left the future of the sugar beet industry in Manitoba in doubt. This failure to address our concerns meant that the sugar beet producers and employees of the Manitoba Sugar Company were in an untenable position due to the uncertainty about the future of the industry.

"It is because of our concern for the producers and the employees of Manitoba that the Manitoba Government decided to commit \$315,000 per year for 10 years as income support for producers. This commitment was forwarded to Mr. Mayer by letter on March 19, 1987, and I am pleased to enclose a copy of my letter for your information. We are presently waiting for what I expect will be a positive response from Mr. Mayer."

I want to read the letter that I wrote to the Honourable Charles Mayer on March 19: "In your letter of March 10, 1987, you note with regret that Manitoba is not prepared to participate in your proposed tripartite sugar beet stabilization plan. You further state that 'the signing of the agreement with Alberta has been delayed in the expectation that your government would, at the very least, come forward with proposals to resolve your areas of concern in the agreement.'

"I am puzzled by this statement. You and your officials were well aware that the Government of Manitoba was concerned with the decision by the Federal Government to renege on the commitment you made to me by telex

on May 2, 1985, that 'the Federal Government will not require any further financial participation by the Manitoba Government beyond the 1985 crop year.'

"The financial participation by the Government of Manitoba in the tripartite plan consists of annual premium contributions and responsibility for deficits when the plan is terminated. It was very clear that we had major concerns about the potential size of the deficit and our officials met in order to review the information on this problem.

"This review did nothing to allay our concern about the deficit problem. In fact, the most recent Estimates show a larger deficit during the first five years than was projected in the scenarios used as a basis for the development of the plan.

"Since you and your officials fully understand our concerns, I expected that you would make changes in your proposal for tripartite stabilization in order to meet our concerns. A true tripartite scheme is one that all three partners voluntarily negotiate and agree to enter into. Your proposal for sugar beet producer stabilization does not reflect tripartite agreement. It is being unilaterally imposed by the Federal Government.

"The sugar beet producers did not ask for a tripartite stabilization plan; they asked for a national sugar sweetener policy that would provide for long-term viability of the sugar beet industry in Canada. The Manitoba Government supported the position of the sugar beet producers as originally stated in Premier Pawley's telex to Prime Minister Mulroney on April 24, 1985, as follows: 'That by October 1985, the Federal Government have in place an acceptable and adequate national sugar policy to protect domestic producers from wide fluctuations in the world sugar prices, and to finance domestic support to producers, preferably through an industry-wide excise tax.'

"I must also reject your assertions that tripartite stabilization is the only option available to the Federal Government for providing support to sugar beet producers. The Federal Government continues to pay 100 percent of the cost of support to producers in Eastern Canada of wheat, corn and soybeans under the Agricultural Stabilization Act. These programs have been continued in spite of the fact that grain producers in Western Canada have been required to make contributions under the Western Grain Stabilization Act for 10 years.

"On January 22, 1986, the Honourable John Wise, Minister of Agriculture, announced the details of a five-year dairy policy for Canada. This announcement was the culmination of an intensive review of dairy policy by the Federal Government. Tripartite funding of deficiency payments to dairy farmers was not proposed by the Federal Government. The Federal Government stated it would continue to provide 100 percent of the funding for deficiency payments. In addition, dairy farmers benefit from a national supply management program, under which 79 percent of the quota for production of industrial milk in Canada is allocated to Ontario and Quebec.

"The Manitoba sugar beet producers and the employees of the Manitoba Sugar Company are in an untenable position as a result of the uncertainty created by the decision of your government not to continue with the traditional support for the industry under the Agricultural Stabilization Act.

"In spite of your commitment that the Federal Government will not require any further financial participation by the Manitoba Government beyond the 1985 crop, and that you are prepared to introduce a national sugar sweetener policy in 1986, the Manitoba Government is again prepared to contribute further financial support to the sugar beet industry in Manitoba. The Manitoba Sugar Beet Producers Association Incorporated in presentations made to the government and Members of the Legislative Assembly have stated that: 'At today's beet prices, this support would cost the province \$315,000 annually.' The Government of Manitoba is prepared to make the requested contribution of \$315,000 annually for the 10-year term of your proposed tripartite plan.

"As you know, the Tariff Board will soon be making recommendations on a national sugar sweetener policy. We expect you to implement measures to provide support to the industry immediately thereafter; therefore, the need for tripartite stabilization should no longer exist. Accordingly, I want to indicate that Manitoba's commitment to stabilization is limited to the extent which the Tariff Board recommendations do not provide sufficient support to maintain the Manitoba sugar beet industry.

"As well, during this 10-year period, should producer returns exceed normal cost of production, our contribution would, of course, not be required.

"I must reject your statement that the Government of Manitoba has refused to work with the Government of Canada for a stabilization program for Manitoba sugar beet producers. We provided \$2.8 million in interim support in 1985, in order to give your government time to develop a national sugar sweetener policy.

"You responded unilaterally, announcing the proposed tripartite plan, March 12, 1986. In spite of the lack of consultation prior to the announcement, we have participated in subsequent analysis of the program. We have only refused to acquiesce to the Federal Government's attempts to offload the cost of assistance to the sugar beet industry onto the province.

"Your positive response to the proposals in this letter will alleviate the untenable position in which the industry has been placed and demonstrate the sincerity of the Federal Government's stated intentions of maintaining the sugar beet industry in Manitoba.

"Yours truly,  
"B. Uruski."

Mr. Chairman, I want to table this letter for the information of honourable members.

Mr. Chairman, there's a copy of the federal letter there. May I have it? I think it's appropriate that we read the response. Mr. Chairman, I want to read that this letter was dated April 1, a letter to the Honourable Member for Virden from the Special Assistant, and signed by the Special Assistant of the Honourable Charles Mayer.

"The dialogue on sugar beets between the Federal Government and Manitoba continues. I've enclosed a copy of Mr. Mayer's most recent letter to Mr. Uruski. As we discussed, I've also enclosed a background paper prepared by the Tariff Board during their investigation into the natural sweetener industry in Canada. Their final reporting deadline has been extended to the end of May due to the volume of submissions and data that they have to examine.

"For your information, we are issuing a joint press release with Alberta on the 2nd of April, 1987, announcing the intent to sign a tripartite sugar beet plan with that province." So, Mr. Chairman, they haven't signed yet.

"Please do not hesitate to call me if I can be of any assistance.

"Yours sincerely,

"Jodi Allard,

"Special Assistant."

Now, Mr. Chairman, the letter that was sent to me on March 30 by the Honourable Charles Mayer.

"Thank you for your letter of the 19th of March, 1987, regarding the tripartite stabilization program for sugar beets.

"I recognize the concern of the Government of Manitoba regarding a financial commitment to the sugar beet industry. However, the Federal Government policy as of June 1985, with the amendments to the Agricultural Stabilization Act, is to develop an equal partnership for all future stabilization schemes.

"This policy recognizes the joint federal-provincial responsibility for agriculture as agreed to by all Agriculture Ministers, including yourself, when the National Agricultural Strategy was signed last fall in Victoria.

"Given current market conditions, it is difficult to accurately predict the price sugar beet growers may receive in future years. My officials have, however, discussed with you various options that could reduce the projected deficit in the Stabilization Fund.

"The Federal Government has made every effort to include Manitoba in all discussions leading to the development of this stabilization program. This proposal is not being unilaterally imposed on the province, but has been negotiated with all parties concerned. You are free to choose not to participate if you wish.

"While you state that the sugar beet growers have not requested a tripartite stabilization plan, they have asked to have sugar beets covered under ASA as a named commodity. This is what is being accomplished in the tripartite program. We are proposing and the growers have agreed to these conditions.

"You are correct in pointing out that the Federal Government pays 100 percent of the cost to support various commodities across the country under stabilization agreements, established prior to the amendments to the ASA. You may not realize that Manitoba benefited from 17 percent of the payments issued by the Agricultural Stabilization Board in the last fiscal year.

"This amounted to a total of \$5.2 million. In addition, it is projected that Manitoba will receive \$157 million from the Western Grain Stabilization Program, and in excess of \$150 million from the Special Grains Program in calendar year 1987. Total Federal Government spending on agriculture in Manitoba for 1987 will exceed \$534 million." I want to read it into the record, I'll read the whole letter.

"Similarly, the five-year dairy policy announced by my colleague, the Honourable John Wise, was an extension of a plan established in 1976, not a new program. Therefore, the program funding was unchanged. The geographic distribution of the industry is not a factor influencing the method of funding. In fact, Manitoba receives a share of the dairy subsidy

proportionate to its population. In other words, 4 percent of the total of the population would be market share.

"The traditional support to the sugar beet industry by the Federal Government to which you referred in your public statement was assistance provided to sugar beets as a designated commodity under ASA, a status which did not guarantee payments on an ongoing basis. This is not an option supported by the sugar beet producers.

"The proposed tripartite agreement would give sugar beets name status and guarantee stable returns to producers over a longer term. If press reports of your comments are accurate, you seem to be concluding that the Federal Government is changing the nature of its support to the sugar beet industry because Quebec is no longer in production. The development of this proposal is in no way linked to the disappearance of the sugar beet industry in Quebec. The end of the sugar beet production in Quebec is a significant loss to the agricultural economy of that province.

"Even though the Government of Quebec chose to sell the sugar beet refinery, they maintained their policy of financial support to the industry, including payments to producers to compensate them for the loss of their investment in sugar beet production. It is totally counter-productive for you to make references regarding your perception of preferential treatment by the Federal Government to agricultural producers in different regions of the country. This attitude belittles the position you hold as an executive member of the Provincial Government of my home province.

"Your observations promote regional biases that have no basis in fact. These comments are destructive to the development of the spirit of cooperation required to promote a truly national approach to resolving the problems facing the agricultural industry. The Federal Government's offer of a tripartite stabilization plan for sugar beets is still open. We are fully prepared to sign the same agreement with Manitoba that we are signing with Alberta. Yours truly, Charles Mayer."

Mr. Chairman, I want honourable members to get up in this House and tell me where the counter offer is. Mr. Chairman, where is that negotiation that I am supposed to and this government is supposed to respond to? Mr. Chairman, I want to take issue and I will take issue publicly here, because I felt that this letter did not deserve a response. I want to tell you, Mr. Chairman, this letter did not - but I will put it on the record in this House and I want honourable members to make sure that the Honourable Charles Mayer hears that response.

**A MEMBER:** Arrogance.

**HON. B. URUSKI:** Arrogance, Mr. Chairman? There is the height of arrogance in this letter. There is the height of arrogance of a Minister of the Government of Canada who has signed an agreement saying a national sugar sweetener policy in Canada will be in place and no further funding required from the Manitoba Government beyond the 1985 crop. That is the height of arrogance.

Now to say, well, forget our agreement, forget about our agreement which he now acknowledges in the House of Commons that he made with Manitoba. It takes other Members of Parliament and not these.

Mr. Chairman, the Federal Government policy of June 1985, I read for honourable members opposite what the amendment was. The honourable members don't want to accept that the amendment of June 1985 was an amendment to say that we can enter into tripartite, but it is not a position of the Federal Government that it is mandatory that every plan be tripartite.

Mr. Chairman, the Honourable Member for Virden, and I'll repeat to him again from the National Agricultural Strategy, and I quote on page 7: "As a result, the Ministers of Agriculture recognized that a level of protection against risks is essential if producers are to plan for the long term. As a result, they have reaffirmed a commitment to national programs in areas of crop insurance, farm price and income stabilization and supply management."

Since when does the Honourable Charles Mayer - is he now declaring the new federal policy? If he is, then on what basis did they make stabilization payments to apple producers for 1983 and 1984 in 1987? On what basis, Mr. Chairman? On what basis does he say that the shared responsibility is now with us, when his own Minister, his own Agriculture Minister, because he has not agreed with all provincial Ministers that national programs are in the areas of farm price and income stabilization and supply management - Mr. Chairman, those are national programs.

So, Mr. Chairman, members opposite better get on that telephone and find out where is that counteroffer that they said was in his letter? Where is that counteroffer? Where is the commitment to the original agreement? We've kept our commitment to those producers who the Honourable Member for Virden talked about, saying it'll only cost \$315,000 per year. We've made that commitment. Where's that counteroffer, Mr. Chairman?

**MR. CHAIRMAN:** The Member for Fort Garry.

**MR. C. BIRT:** Thank you, Mr. Chairman. I have a question to the Minister.

I believe, last year, his department probably paid in the neighbourhood of in excess of \$800,000 in the way of assistance to the sugar growers. I'm wondering, the Minister keeps telling us that he is prepared to sign the agreement and he's prepared to put on the \$315,000 this year. Could the Minister tell us where it is reflected in his Estimates that he has the money for that?

**HON. B. URUSKI:** Mr. Chairman, we have indicated that we will, in fact, if we need extra money, we will get it.

**MR. CHAIRMAN:** The Honourable Member for Portage.

**MR. E. CONNERY:** Mr. Chairman, we've heard a lot of huffery and puffery today, and not all of it pertains to the sugar beet industry.

Earlier, the Minister of Finance got up and he was giving us a big lecture on how the technology plant in Winnipeg was not being used and how the Federal Government had abdicated their responsibilities but, if you look under the Minister of Industry, Trade and Technology, who is sitting beside the Minister of Agriculture today and expounding on everything, we

will see in his Estimates that his Estimates for technology this year have decreased. So when we want to talk about progress, I think the Minister wants to look into his own portfolio and maybe not talk as much about agriculture, and maybe look at his own portfolio because there are lots of problems there.

Mr. Chairman, we heard and I watched a little bit and I really didn't want to watch that much, but it was the NDP convention down east when they were talking about -(Interjection)- well, once in awhile, I lower myself to do some things that I don't really like to do. Anyway, what I saw was the Leader of NDP Government, Mr. Broadbent, saying yes to Quebec, and I didn't hear one mention of Manitoba, Saskatchewan, Alberta, British Columbia or the Maritimes. But we heard how he is going to look after Quebec, and we've heard enough from this government as to how our government, the federal Conservatives, are treating Manitoba. We know what will happen if and when there is an NDP Government ever elected federally and - heaven forbid! - that would be a disaster.

Did you have something to say, Mr. Chairman?

**MR. CHAIRMAN:** Yes.

**MR. E. CONNERY:** What would you like to say?

**MR. CHAIRMAN:** I'd like to remind members that we still have a rule of the House that says speeches in the Committee of the Whole House must be strictly relevant to the item or close on the discussion.

**MR. E. CONNERY:** Right now, what did you say to the Minister of Finance when he stood up for 10 minutes and did not once mention agriculture? He talked about everything else except agriculture and sugar beets. Did you smack your gavel? No, you didn't.

**MR. CHAIRMAN:** Order please, order please.

Let me explain. We are on the item, Manitoba Crop Insurance Corporation. The only reason we have been allowing the debate on sugar beets is because there was a denial by the Speaker of the extraordinary request for debate and that's why we have allowed sugar beets but, if we brought in the discussion all kinds of items that are not related, we will unduly prolong this debate about the Estimates.

**MR. G. FINDLAY:** Mr. Chairman, just a slight correction on your statement there. The Minister of Agriculture got up in his place at the beginning of the Committee of the Whole this afternoon and said that sugar beets are covered under crop insurance. We're under the crop insurance area, and that's why we're discussing it.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. CHAIRMAN:** The Honourable Member for Portage la Prairie. The Member for Portage has the floor. May the member state the point of order?

The Honourable Member for Arthur.

**MR. J. DOWNEY:** I rise on a point of order, Mr. Chairman, because I believe the ruling that you just



made, for the reasoning on which we are debating the sugar beet industry, was actually a reflection on the decision of the Chair or a challenge to the Chair.

The indication that the reason we are debating sugar beets is because the Speaker did not allow an emergency debate and I think you -(Interjection)- yes, that's exactly what the Chairman said. I think that is a reflection on the Chair and possibly a challenge to it. I would suggest, Mr. Chairman, that you take it under advisement.

**MR. CHAIRMAN:** It is not a reflection on the Chair, as such. It is a statement of what happened in the House.

The Honourable Member for Portage.

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

I guess while we are in crop insurance, is there any insurance from the sugar beet industry that they'll be protected from an uncaring Minister who would sink their ship and have all their equipment and everything else wasted and lose all the jobs? I wonder if there is crop insurance for this sort of action by an uncaring Minister who has no heart at all.

We saw in the Carnation Foods, and earlier today the Agriculture critic talked about the options for Manitoba, and we talked about the options of something other than grain that we can't sell, and he talked about a whole host of things. Well, he talked about potatoes.

Mr. Chairman, we saw that this year there was an agreement signed - or was it last year? - with Carnation Foods for an expansion of their plant at Carberry where there are going to be a lot of additional jobs created. We saw in the Budget Speech a mention of this plant at Carberry and how the Provincial Government was doing so many things and how they were helping that plant. Then we find out, Mr. Chairman, that the Federal Government is putting in two-thirds of the money into that plant. So when we talk about tripartite or whatever, we see the Federal Government doing their share, and I think the Minister should be aware of that, and especially the Minister of Industry, Trade and Technology.

What did the Minister of Industry, Trade and Technology do in relation to Versatile? There was not one cent of provincial money to save all of the jobs at Versatile, which was probably one of the biggest employers around that we could lose. This government and this Minister did nothing, and yet he stands up and he tells us all of the things that they're doing. Five hundred and thirty-four million dollars of federal money coming into Manitoba and this government, they talk about their \$84 million, Mr. Chairman. Twelve of that, this so-called, is the school tax rebate. Why is it coming and showing up in the Agriculture budget? That is one of the most deceitful things that I could think they could do. The last thing it shows in there is the \$12 million on the agricultural side, and that is not money being paid by Agriculture. It is another one of their creative accounting that they have in all of these things.

So, Mr. Chairman, I'd just like to say that I plead once more with this Minister of Agriculture. It's in his hands to protect an industry. If this industry goes down, it'll be on his back.

**MR. J. DOWNEY:** Mr. Chairman, I'd like to just ask a couple of questions of the Minister, and it follows

basically on my colleague from Fort Garry's questions that the Minister says that he will make the money available. I would like to know what plans he's put into place so far, in view of the fact that he's said the money isn't the problem. It's the signing of the Stabilization Program that he has the problem with, the tripartite program. Where does he plan on getting the money? Has he put anything into process to this point to make it available? Has he taken any action? That's No. 1.

No. 2, dealing with stabilization, and he keeps going back to the argument that a national stabilization program is the responsibility of the Federal Government, or it is the Federal Government's responsibility for the agricultural community. Let us look at the activity or the work that was done by this Minister in the support of the hog industry. He took a lot of credit in developing a program, even though it wasn't as successful as he indicated publicly, but he did in fact put some money into the hog industry, of which, when it came time to sign the national agreement, he wrote off several millions of dollars to the hog industry, well, \$3.8 million.

The hog industry got a write-off of \$3.8 million; the beef industry doesn't get a write-off of anything; the sugar beet industry doesn't get any support. I, Mr. Chairman, have a hard time seeing the consistency in this Minister and his whole approach to stabilization. One has to start questioning his credibility. The Premier is sitting here, Mr. Chairman, prepared to see his Minister all over the waterfront on stabilization, no consistency, no standard policy, prepared to see the 200-and-some jobs at the plant go down the drain or the 400 producers, prepared to see all these things happen to an industry right at the same time that the jobs are being lost at Canada Packers.

I'd ask the Premier: Does he expect those people that are losing their jobs at Canada Packers to have any hope in getting employment elsewhere, when in fact he and his government are seeing another industry in the same type of processing going down the drain? He must have a little compassion; he must be able to direct his Minister of Agriculture and say, look, not only is it wrong and bad politically to do this, but it's bad morally and in the best economic interests of all the producers, all the workers and the consumers of sugar who should have a stable supply at home which gives them some security.

While I say, in view of the fact that the Minister has been all over the waterfront - and I hope the First Minister is listening. He has been all over the waterfront. It's not a matter of being inconsistent in moving in now to help the sugar industry; it's not a matter of being inconsistent. He's already done that. He's written off, as I say, \$3.8 million for the hog producers. Why does he write off \$3.8 million for the hog producers, when he signed the national program? He's making the beef producers pay back some \$30 million there - no write-off there. He's not prepared to support the sugar industry.

Where is he? Where is the government, the New Democratic Government? Where are they? Where are they on their policies dealing with the whole program of stabilization? It just doesn't wash; it doesn't wash. Then he'll turn around and put money into some program to encourage employment, because the Premier stands up in a great fever at times and hollers, jobs, jobs, jobs. That's right, 1,000 jobs lost in Manitoba in the agriculture industry on the weekend.

All I'm doing, Mr. Chairman, is trying to say to the Minister of Agriculture and the First Minister, give them some kind of assurance, the producers, that they're not going to see them go down the tube as far as their processing industry is concerned. Have all the arguments you want with the Federal Government on funding.- (Interjection)- No. There isn't a counteroffer from this Minister. No, that's what we want to know. We want to know where your counteroffer is, the counter-counter offer, the First Minister says. We want to know what the province's counteroffer is to the Federal Government. We want to know what it is.

My colleague from Virden asked for that. He said, if you're not going to do it - and just for the simple reason of political bashing of the Federal Government isn't good enough. Tell us why you're not going to proceed. Don't take it lightly, through the Chairman to you, Mr. Premier. Don't take it lightly, because I can tell you politically who it's being hung on. It's not being hung on the federal Conservatives, as you think it may be. You haven't made the case here today that you think you have that'll hang it on the Federal Government. All the calls that we are getting, all the public impressions that we are getting is that you, Mr. Premier, are the man responsible for the jobs that are going to be lost.

**HON. H. HARAPIAK:** It is only because the Free Press is doing your research, and they're biased.

**MR. J. DOWNEY:** Well, there we go. I now have the Member for The Pas agreeing with me. He says it's because the Free Press is doing our research for us.

Mr. Chairman, they may or they may not be, but the point is he agrees with me, and the public impression right now is that he and his government, with their wrong-headed approach, are doing the wrong thing for a major industry in Manitoba.

I would ask the Premier, Mr. Chairman, if he wouldn't have an emergency Cabinet meeting tomorrow morning. Well, the Minister of Agriculture laughs.

**HON. B. URUSKI:** Yes, I laugh.

**MR. J. DOWNEY:** Let it be on the record, Mr. Chairman, the Minister of Agriculture laughs.

**HON. B. URUSKI:** At your suggestion.

**MR. J. DOWNEY:** Yes. I ask the Premier of this province to, tomorrow morning, have an emergency meeting of his Cabinet to approve the joining of a program with the Federal Government to support an industry of that import to this province, and the Minister of Agriculture laughs.

I think, Mr. Chairman, in view of today's debate, the Opposition, to their inaction, all the recommendations that have been put on the record should be taken to his Cabinet and a sincere attempt made to resolve their differences and to give direction to the Minister of Agriculture to get on with it.

Again, my colleague from Virden said they're leaving it to the eleventh and one-half hour. I think, Mr. Chairman, they've left it till after twelve o'clock, and I think it's too late. They will play that kind of a game

up until the last minute and, as they did before, there will be enough political heat hit them and they will yield. I predict that, Mr. Chairman. I predict that they will yield.

And I say why put those people who are going to lose their jobs, who aren't going to be part of the industry this year, let them know and know tomorrow that they are going to go along with them. That's all. Why, for the sake of the political mileage that they think they're going to get out of it, why put people through that kind of trauma?

So I recommend to the First Minister that he call an emergency meeting of his Cabinet tomorrow to direct his Minister of Agriculture to proceed and to give the industry, the producers, the consumers of sugar in this province the assurance that they need. I think, Mr. Chairman, that he'd be doing himself and his government a lot of good and they may start to regain one wee little bit of credibility, which I'm sure wouldn't hurt them at all.

Thank you.

**HON. B. URUSKI:** Mr. Chairman, I want to indicate to my honourable friend about the decision on funding.

Cabinet has approved our position. Mr. Chairman, the offer that we made is approved by government. There is no need to have any Cabinet meetings. That offer that we approved was sanctioned and approved by this government. That wasn't an off-the-cuff offer to the Federal Government, Mr. Chairman. It had the sanction of the Government of Manitoba. When we make a commitment, Mr. Chairman, we have the governmental commitment, unlike some other colleagues.

Mr. Chairman, the Honourable Member for Arthur attempted to make the case that somehow we were flip-flopping our position vis-a-vis hog producers and beef producers, saying the hog producers, there is a write-off; beef producers, there is a payback.

Mr. Chairman, if we were joining a national tripartite plan in beef and there would be an outstanding fund, we would have the same kind of negotiations as we had with the hog producers as to the timing and the phase-out plan. What that decision will be, I don't know, but I want to tell my honourable friend that our beef program is not ending. It's an ongoing program. There will be changes in it, but it will be ongoing.

Now, Mr. Chairman, let's make that comparison as to what support we put into the sugar beet industry, and how it compares to the write-offs in the hog industry. Mr. Chairman, in 1985, the farm value production on sugar beets was \$13 million, which included \$6 million of federal and provincial support to that industry. Half of that was tax dollars to that industry, Mr. Chairman, half of that \$13 million.

Now let's look at the hog industry - a value in 1985 of \$261 million in excess. Mr. Chairman, if you look at a \$3.8 million write-off, in net cost to the province, it's less because there was \$1.2 million in federal ASA payments to the hog industry. We are looking at a net cost of about \$2 million in that year of support to the industry.

But let's take our write-off figure of \$3.8 million on \$261 million. Mr. Chairman, if you were to put that same kind of percentage back into the sugar beet

industry, if we were comparing those two as the Honourable Member for Arthur tried to compare, we should have been offering less than \$100,000 a year in terms of support to that kind of an industry in Manitoba. We're putting in at least three - it's more like maybe five times as much, but I will be charitable - times as much as we would if we compared the two industries in terms of the support and the value to the provincial economy.

So, Mr. Chairman, let not honourable members opposite stand here and say that somehow the industry is worth so much and, in proportion to the provincial economy or the farm-gate values, that it is so great. It is valuable to Manitoba and that's why we made the commitment we made.

Mr. Chairman, I will repeat again, get on that telephone. I will give you credit - I certainly can't give it to your federal colleagues - I will give you credit if the Federal Government comes up and says, yes, we will sign the deal as proposed by Manitoba, and the sugar beet industry will survive. I will be the first to stand up and say thank you for the support, but I want to see some action, Mr. Chairman. You've been silent on this issue; you've tried to offload.

Mr. Chairman, when we talk about offloading, by the tripartite proposal that you want us to agree to, the Federal Government, when compared to the ASA payments, the historic ASA payment that they made on sugar beets, means an annual saving of \$1.2 million a year. The Minister of Industry said \$12 million over the 10 years, a saving, an offloading of cost from the Federal Government onto the provinces. So, Mr. Chairman, let not any Conservative member in this House get up and say that somehow the feds are doing us such a big favour.

**MR. J. DOWNEY:** Mr. Chairman, just a brief comment to conclude my remarks.

The Minister is comparing apples and oranges. I'm talking about principle in this whole thing and, as far as I'm concerned, he's treating different groups in our agricultural community differently. He is prepared, for the sake of the hog industry, to write off money to join the federal program, and he did so. He now has the opportunity, in principle, to treat the sugar beet industry the same.

As far as he and his Minister of Economic Development saying and using comparative figures as far as dollars in equals dollars out, or dollars in and there's the yield of so much money, I would ask him and his First Minister to tell the people of Manitoba how much money, when he was the father of the MTX, did he expect to get back when he invested \$28 million in Saudi Arabia? What is the payback and the benefit to the people of Manitoba? You know if he wants to talk that kind of comparison, I'll talk those kinds of comparisons and get into that kind of debate. Tell the people of Manitoba how much money they're going to have yielded from his wrong-headed approach and his squandering of \$28 million in the sands of Saudi Arabia. And he shakes his head.- (Interjection)- That's right, in disbelief; yes, in disbelief.

The people of Manitoba are in disbelief of the manner in which this government handles the taxpayers' money. Yet they won't treat the sugar beet producers, they

won't treat the workers in the sugar beet plants and all the service industries, or give the consumers - and I say this is an important point which the First Minister hasn't heard yet - the assurance that we've got a domestic sugar industry, that they aren't held up by the roller-coaster sugar producers of the world. When we see peaks and when we see valleys, I think it is incumbent upon this government to protect the consumers of sugar against peaks that could well come in the pricing and, if we don't have an industry here, we won't be able to do that, Mr. Chairman.

The Minister keeps hollering about a national sugar policy. Why would he, Mr. Chairman, when it's again the last minute to support the industry, try to make some cheap political marks against the Federal Government? That's what he's trying to do; that's exactly what he's trying to do. Why does he not put the interests of Manitobans first? He didn't do it when it came to MTX. All we're asking him to do is put the interests of the Manitoba producers and consumers ahead of his own political interests and proceed tomorrow morning to call his Cabinet and proceed on a decision that is in the best interests of this province. He has the opportunity.

**MR. CHAIRMAN:** The Honourable Minister of Industry, Trade and Technology.

**HON. V. SCHROEDER:** Thank you, Mr. Chairman.

Just further to the points made by the member who just spoke in terms of comparing the magnitude of the sugar beet industry to the magnitude of the hog industry in Manitoba.

He says, there is \$3 million paid in 1985 to the sugar industry by the Manitoba Government, \$3 million to the hog industry, and there should be that kind of a ratio, even though the total production of sugar beets in 1985, before subsidies, was just over \$7 million and of hogs was about \$260 million - 35 times as much production of hogs as of sugar beets, and there is an expectation of the same number of dollars of subsidy as those that are fair.

If we turned it around the other way and said that hog production should have the same proportion of subsidy as sugar beet production, then we would have \$105 million of subsidy for hogs to the \$3 million for sugar beets. Does that make sense?

That's the payment by the Federal Government, province, whoever would pay it, of two or three complete new hog plants every year. That's the kind of money they're talking about. Those are the kinds of magnitudes they are talking about and that's why, when we say at \$315,000 a year, proportionally, we are paying far more than three times as much for the production of sugar beets as we are for hogs.

So let's not say we're not making a commitment to sugar beets. It's fair to say that you think maybe there should be more, but to suggest that we're not making a commitment similar to hogs is pure nonsense. We're making far more than three times as much, on the basis of production of sugar beets, than we are to hogs. Yet somehow, that effort is being totally ignored by the Opposition who get up and read nice letters to us from sugar producers. You know, that sugar producer probably listened to their president, whom I heard on

the radio in December and January, saying this terrible NDP Government - and who is Bill Siemens? Nice fellow, fellow I went to school with. He is also the past chairman of the P.C. organization in Rhineland. He says, on the radio, this terrible NDP Government won't come up with \$315,000 a year to save the sugar industry.

But, we have. We're prepared to come up with \$315,000.00. We've told the Federal Government, we've told him, and that's what he told his producers. That's why that letter went out from that producer to the Minister of Agriculture or to whoever it was addressed to.

Well, the fact of the matter is that every penny the producers were asking for at that time publicly has been put on the table by this government, but they've come back because they never did talk about the deficit. And they know and we know that, since that time federal numbers have changed in terms of what that deficit will be. We expect right now that it would be in the many millions of dollars. Yes, that's an unfunded liability, as the Member for Minnedosa said before, a huge unfunded liability which in the past has been borne by the federal taxpayers because this is a national policy. Sugar has been a national policy in this country, the growing of sugar, at least a proportion of our own requirements in case of security of supply. That is the rationale since the Second World War for us being in it. Now members opposite are saying that taxpayers of Manitoba are supposed to take on the subsidy of something which is of national interest, and we say no.

The only thing they can say in defence is, well, look at Alberta. We've already pointed out that we had a different agreement than Alberta in 1985. Alberta didn't have an agreement with the Federal Government in 1985 that said, after 1985, no more Alberta money. We did; we do. We have that agreement, and we expect the Federal Government to at least come close to living up to that agreement. Now people opposite are saying it's only \$315,000 a year plus deficit. We expect that it'll be an awfully big deficit and it may well be a much larger deficit than the \$315,000 a year.

So we're talking, rather than three or four times as much money per year than we spend for subsidizing hogs, we're talking eight, twelve or more times as much as subsidizing hogs. We believe that if this is still, as it was under previous Liberal and Conservative Governments, of importance nationally to the people of Canada, then the people of Canada should be prepared to pay a good portion of the shortfall. We don't think that's an unfair position.

It's been 100 percent federal up until now, and I don't see anything wrong with that. I never heard the members opposite campaigning on the basis of 50-50, and it's not 50-50. The Agriculture critic seems to think it's 50-50. Unfortunately, one-third of that liability for Canada's security on sugar is now going to be on the backs of the Manitoba sugar beet farmer because you people haven't done your job, because you people have violated the sacred trust which has been in place since the Diefenbaker Government. That is what you're doing.

I want to point out a second difference between us and Alberta, and that's our Gross Provincial Product on a per capita basis. It's much lower than Alberta. The agreement signed by our Minister of Agriculture and all other Ministers of Agriculture and the Federal Minister to which the Agriculture critic for the Tories

has so proudly pointed, I point out to him that it refers to the special considerations for the regions of this country. That's what we expect it to do. Here we need a sensitivity to the regions, as there is with investment tax credits which allow farmers in the Maritimes to write off 20 percent directly against their tax payable federally for new equipment, and which will allow the farmers in Manitoba zero by the time it's implemented. It used to be - under the bad old Trudeau Government - 10 percent for Manitoba, and I believe 5 percent for Alberta. Now we're going to be at zero in Manitoba and zero in Alberta. You see, it used to be fair. You had 20 percent in the Maritimes, who are poorer than we are; something like 10 percent here in Manitoba, we're poorer than Alberta; 5 percent in Alberta and they are better off than we are. It was fair.

Now what we've got is the Maritimes are still being treated fairly, but Manitoba is, as the program goes down, going to be at zero in a couple of years, at the same level as Alberta. That is not exactly the definition we had in mind when we talk about a level playing field.

We think that fairness means that those who are better off don't get as many of those kinds of benefits as those who are not as well off, and that's why we don't attack the Federal Government for leaving the 20 percent in for the Maritimes. We think it would be appropriate to have possibly even dropped us down some, but not as far down as Alberta. We shouldn't be on the same level as Alberta, nor should we be on the same level as Alberta in terms of sugar policy, and we should not apologize for that. It is wrong to say that somehow - and this is before we talked about the \$1 billion of changes in oil taxes that happened a year and a half ago. This is before we talked about the bank bailouts in Alberta, this is before the \$350 million which went 100 percent to Alberta and the oil-producing areas and, just shortly after that, in the Western Producer, we get a headline on page 1, "Getty Tones Down Fedbashing." It says, "Earlier in the week, he had railed against the federal Conservatives for not doing enough to help Alberta's ailing oil industry. In an angry statement, Getty has threatened to separate the provincial and federal wings of the party and withhold support in the next federal election."

What's happening here? Instead of going after the people who are causing the problem, you're attacking us. That's what you're doing, instead of going after the people who are violating their sacred trust to the farmers of Southern Manitoba, you're going after us. Instead of attacking the people who are violating the agreement signed between the Federal Government and the Province of Manitoba in 1985, you're attacking us. You're going after the wrong people and, if you continue going after the wrong people, you will be personally responsible, every one of you, for the destruction of the sugar industry in Manitoba.

**MR. CHAIRMAN:** The Member for Virden.

**MR. G. FINDLAY:** Thank you, Mr. Chairman.

Just to reflect back on a couple of comments that have been made in the course of the evening, Mr. Chairman, the Minister of Agriculture spent some time this evening reading letters into the record . . . (Interjection)-

**MR. CHAIRMAN:** The Member for Virden has the floor.

**MR. G. FINDLAY:** Thank you, Mr. Chairman.

And in one of these letters, it says: "My officials have, however, discussed with you various options that could reduce the projected deficit in the Stabilization Fund."

Mr. Chairman, the deficit at the end of the fund has been one of the Minister's hangups and, clearly from the letter he read, it indicates that his department has been in communication with federal officials to try and find ways to reduce or minimize the exposure of the deficit at the end of the stabilization period. I would think then he could now share with us what the results or what the discussions have been, the results of those discussions, what they have shown. There certainly have been different options put forward, dollar-wise, and projected over a course of five years. Certainly the higher option, the one that's been published in the press, the \$48.57 per tonne of stabilization does show a deficit at the end of a five-year period.

There also is some other dollar options of stabilization that show a lesser and down to zero level of deficit at the end of the five-year period. Has he considered those or asked the growers or the Federal Government to use those levels of support in the Province of Manitoba so that everybody's liability is reduced and everybody's levy payment is reduced? I think it's imperative that he answer those questions and bring forward some idea as to whether they're effectively talking about trying to arrive at a proposal that everybody can live with.

Another fact that he made known tonight, Mr. Chairman, when I asked about the \$315,000, he said, "If we need it, it is there." If we need it - and all along he's been saying that it's been a Cabinet decision. We have made the decision that the money's there; we promise it. But he said, "If we need it." If he's got \$315,000 from Cabinet, surely they didn't just give him a blank cheque and say, here's \$315,000, Mr. Minister of Agriculture, use it as you see fit. He has to have presented some kind of proposal to Cabinet to convince them that he would have some responsible way of utilizing that \$315,000.00.

The growers who requested that amount of money clearly had in mind that it would be part of a tripartite agreement, so therefore the structure for utilizing that money would be in place. Since he refuses to sign the agreement, was that the way he presented it to Cabinet, that he wasn't going to sign the agreement? Just give me the money and I can play with it but, hey, I guarantee you men and women that I will never have to use it because it's a political ploy that we're putting forward. Is that where he's at? But if not, if he did have a proposal that he brought to Cabinet, then he should be able to table it in the House and show how he's going to support the industry with this \$315,000.00. There are some loose ends there, Mr. Chairman, that the Minister needs to tie up if he's honourable in his presentation to us this afternoon and a week ago today, and to questions he's answered in the House, and statements he's made outside the House over the course of the last two weeks.

Mr. Chairman, Alberta is going to sign an agreement on April 16. The Minister knows that, and if it's such a bad agreement as he says, why is Alberta prepared to sign? Why are they prepared to sign? Has he talked

with them? Has he shown alternate proposals that he and the Alberta Government could argue with the Federal Government? I think not, because again, it's a political decision. Give me \$315,000, and I can play a game. I can baffle and wander around and distort the facts and make everybody think that we're doing something.

Where's the game plan? Where are the procedures to be used to put that \$315,000 to use? Mr. Chairman, the arithmetic is fairly simple. The market price is around \$25 a tonne. The cost of producing a tonne of beets, roughly \$40 a tonne. There's a shortfall there of \$15, and there are 350,000 tonnes of beets produced per year. The Member for Dauphin is sitting there looking at me. Hey, he just thought of it; \$315,000 is what we put up. It's \$1 a tonne to cover a shortfall of \$15.00.- (Interjection)- Ah, that's right, Mr. Chairman.

I ask the Minister of Agriculture to address those concerns. I think it's \$315,000 worth of taxpayers' money. He owes it to us to tell us how it's to be implemented, how he presented to Cabinet that it will be implemented for direct utilization by the sugar beet industry.

**HON. B. URUSKI:** Mr. Chairman, I don't know whether I should feel sorry for my honourable colleague across the way. Had he read my letter to the Honourable Charles Mayer, which I tabled today, he would know very clearly what our position was. It was announced and communicated to Mr. Mayer in a letter to him and we are prepared to move along in that direction.

There has been no counteroffer in terms of discussions with us from the Federal Government. He talks about discussions with Alberta. Mr. Chairman, Alberta decided, in 1985, that they weren't prepared to wait for anybody in the industry. They said that they were going to put up \$10 a tonne subsidy to the industry regardless of whether the Federal Government participated or not. Mr. Chairman, they left their own growers hanging dry, because they had not realized that the growers did not have a guaranteed income. They were still in the process of negotiating their share of the income from the sugar beet industry.

As a result, they in fact left their growers completely in the lurch in 1985. If the Honourable Member for Virden calls that good negotiating and protecting their producers, Mr. Chairman, I think he should re-examine his position.

Mr. Chairman, the deficit, in terms of the fund, our deficit, in fact our calculations that we had gone through were in fact lower than those projected by the Federal Government. We had looked at a deficit depending on the amount based on the market prices and the need for support at somewhere in the \$4 million to \$5 million range. The Federal Government's projections over the five years are between \$5 million and \$6 million. That means that staff from both levels of government were not that far apart and the projections appear to be likely. The honourable member, is he now saying in this Chamber that he is now negotiating on behalf of the Federal Government? And if he is, I'd be pleased to -(Interjection)- Well, Mr. Chairman, we, in my press conference, in the letter, did not close any doors to any further negotiations on how that amount of money that we put forward would be spent. There were no proposals to come back to us.

Mr. Chairman, we made that 10-year commitment, but we equally as well said that we would not share in any future deficit. I recognize that the honourable member says you could lower the support levels and maybe the producers might take that plan and it could be there. Mr. Chairman, we recognize that, but we are not prepared to fund any deficit in any fund.

The member tries to make semantics about where we are on this question. Our proposal, our commitment is there in writing. It's there in the letter; I've tabled it in the House. It was given to the Honourable Charlie Mayer as well as the Honourable Jake Epp, the Honourable John Wise. There were three or four Federal Ministers that this letter was provided to. So, Mr. Chairman, there is no game plan on our part.

Our game plan, Mr. Chairman, if anything, has been to move off a federal agreement that was not kept, was totally reneged on by the Federal Government, and we moved off that position. Now, all of you here in this House are saying to us: well, you've moved this far; how about moving a little more?

Mr. Chairman, the end of the line has come. The question remains: Are you prepared to do your homework? As I said before, I am prepared to stand in this House and give you credit if you, in fact, say to your federal colleagues, look, you've not treated us well. You have misrepresented what the situation has been and not lived up to your historical commitments to Manitoba producers.

**MR. G. FINDLAY:** Mr. Chairman, the Minister speaks of the end of the line. The end of the line is going to be for the sugar beet producers of Manitoba because on April 16 the agreement will be signed in Alberta. It will cast the stone on the position of the Federal Government. Therefore, you have no opportunity to further negotiate. It'll be an ultimatum at both ends. The end of the line will be for the growers and the jobs in the industry; that's where the end of the line will be.

The Minister will have that hanging over his head for a long time as he does the loss of jobs in Canada Packers. It's easy for him to stand and blame and say it's somebody else's responsibility, but ultimately, you'll have nightmares at homes. You'll have phone calls that you'll have a hard time answering. They'll ask you, you're the responsible Minister in this province and what have you done but find excuses and put blame where you think you can get away with it? Mr. Minister it doesn't wash; it clearly does not wash.

(Mr. Deputy Chairman, D. Scott, in the Chair.)

Now that we have warm weather this week - I was talking earlier. Maybe we have two weeks before the growers have to go to the field, and I heard the weather forecast at suppertime. I would imagine in the very southern part of this province, the ideal conditions for planting are very near at hand. It may be only a day or two or three or four or five away, and there the growers sit.

Is this Minister of Agriculture going to move off his political position and respond in a way that will help us as an industry, or is he going to sit in his place and fend off all logic and take the political position and say, "no deal"? Is that where he's going to stand?

**HON. B. URUSKI:** Mr. Chairman, I have not heard more baffle-gab on this issue than I hear from the Honourable Member for Virden now.

Mr. Chairman, I have not heard of a group of cohorts, and I call them that, protecting their federal brothers and sisters. Even Don Getty, who threatened to pull out of the federal Conservative Party within one week, Mr. Chairman, got \$350 million to the oil industry.

Mr. Chairman, I quote from the Western Producer: "Earlier in the week, he had railed against the federal Conservatives for not doing enough to help Alberta's ailing oil industry. In an angry statement, Getty had threatened to separate the provincial and federal wings of the party and withhold support in the next federal election.

"By the weekend, with the federal announcement of a \$350-million energy-aid package acting as a tranquilizer, tempers had calmed and Alberta M.P.'s mingled comfortably with convention delegates."

But in Getty's keynote address at the convention on April 4, Alberta's distrust of Central Canada was evident, and I quote: " 'I believe we can never let our guard down in the future,' he said, quoting Premier Getty."

You Tories know that there was a separate agreement between Manitoba and Ottawa. You're not prepared to acknowledge that your colleagues are breaking an agreement. You're not prepared to stand up and say you've broken an agreement. You're treating Manitoba producers differently from other producers in other commodities under the same legislation, and you're not treating them according to your word. You're not prepared to stand up in this House and say you had an agreement. Are you going to live up to it? No, you're going to defend.

Well, defend, defend, defend. I want you to go on and continue to defend them, because Manitobans and Canadians will know that your position cannot be sustained in light of every case and the unfairness that has been perpetrated on this province and on many other parts of Canada by your colleagues in Ottawa.

**MR. G. FINDLAY:** Mr. Chairman, obviously, the Minister has dug his heels in again on this issue, and there's probably nothing more to be gained by carrying on the discussion.

But last Thursday, when we were in Estimates, on Crop Insurance, I asked him to table some information, some data, and we will be back at this tomorrow. I would think that he should have that data, that he could give it to me now, on the Feed Security Program.

**HON. B. URUSKI:** Mr. Deputy Chairman, I want to indicate to my honourable friend that we have completed an additional survey of 10 farmers in the arm of Shoal Lake. Five insured and five non-insured farmers were included in the survey. Our staff will be meeting with the R.M. Council of Shoal Lake on Wednesday of this week to review these results. Although we have some additional figures, we will not know the final figures until after this meeting.

And I say this, the survey that we conducted recently, the new figures are lower than the 145 percent from our original survey of production, but I want to indicate that the new survey still did not bring down the percentage to even - it's coming closer but not to the extent that a payout would, in fact, be triggered. That's why there will be further discussions with members of council to see whether there is any new information.

I'd like to ask my honourable friend - because certainly native hay and tame hay is part of the discussions and the percentages - I ask my honourable friend whether he may, in fact, have some personal assessment as to what percentage would he guesstimate.

We know what our survey has brought out and I will tell him. It has brought out in the approximate totals of having 45 percent tame hay and roughly 55 percent native hay in terms of the assessment that we've had - whether that is reflective of the situation in the municipality since he resides there - but we won't have any further refinement of the figures until we have further discussions with the R.M.

If the honourable member has any particular views in this area, I'd like to hear them.

**MR. G. FINDLAY:** Mr. Chairman, I didn't ask the Minister to create new figures. I asked him to give us the figures that had been obtained last year by the measurement of hay production for the monitored farms as consistent with the agreement signed, that each municipality is to be assessed basis of production on its monitored farms year in and year out, and the payouts to be made on the basis of that information collected.

That's the information I asked him to give to the House, and that's the information I still request, not new created data after the fact.

**HON. B. URUSKI:** Mr. Chairman, the staff, in terms of doing the assessment, admitted that the analysis was not very significant, and so the figures were out. The preliminary figures that staff received was that production in the area was 145 percent of normal. That's what the assessment came out. The member is shaking his head in the negative. That's what the original assessment came out.- (Interjection)- Mr. Chairman, I am giving him the information that was provided. If the honourable member indicates that he has other figures that he is talking about, let him put his figures on the table.

**MR. G. FINDLAY:** I ask the Minister if he will tell us directly if the 145 percent was determined by measurements of hay production in '85 and '86 or '84, '85, '86 that relates strictly and only to the R.M. in question or does it involve utilizing data from surrounding R.M.'s. I would caution the Minister that the official responsible has made statements on radio and on telephone that put him in a difficult position to not answer the question directly.

**HON. B. URUSKI:** Mr. Chairman, I don't have to be cautioned about anything. If there is some information that I don't have, we will try and provide it. Mr. Chairman, we answered that question last time we were here, that the information that staff had was as a result of a survey. Some of the participants were within the R.M. and some participants were without, and that was the reason for an additional survey in the area. The additional survey still came up even though they took five, as I understand, participants in the program and five non-insureds and did a survey of those. That survey is going to be discussed with the R.M. council. I gave the figures to

my honourable friend to indicate what the percentages came out at in terms of the new survey. That new survey still came up at above the 70 percent of normal production.

**MR. G. FINDLAY:** Does this new survey contain data for both native hay and field hay on the proportion you gave me earlier of 45-55?

**HON. B. URUSKI:** Yes. Mr. Chairman, those are precisely the figures that I gave him, were from the new survey and that's why I asked the question whether he was aware, whether that kind of a ratio of proportion would be reflective of, let's say, his own operation or of his neighbours in the area, 55 percent of native and 45 percent of tame. Is that reflective? It was a simple question I asked him and he knows - he lives in the area - whether or not that survey is representative of producers.

**MR. G. FINDLAY:** Were the crop insurance agents requested to go out into the area and get the tame hay production on 600 acres only?

**HON. B. URUSKI:** No.

**MR. G. FINDLAY:** That's contrary to when the agent came to my place. He says I have been requested to go around and get after the fact data on 600 acres of tame hay. And that is pretty contrary to the agreement that the farmers signed in that area, Mr. Minister. They signed on the basis that production would be assessed on a municipality basis and I will ask again for the data that was collected in terms of measuring hay production on the five monitored farms in the summer of 1986. You still have not presented that data. And it was measured. We can go and ask each of the monitored farmers if somebody came onto their farm and made hay measurements. If they did, he has to produce the data.

**HON. B. URUSKI:** Mr. Chairman, if the honourable member wants to do with this program as he attempted to do with the original proposals on crop insurance, I'm not going to get into that debate because I recall when we talked about changes in the crop insurance program, there was only one member, one member of the Conservative Party and that was the potential candidate for Virden, that member in this House who started writing letters and playing with figures in the media. It was none other than yourself, Mr. Chairman, not yourself but the Member for Virden who wrote to the media, letter after letter and totally discredited himself on the basis of playing with numbers with the new program. Mr. Chairman, I don't intend to get into that game.

I want to tell him that from the figures received from staff, there were more than 600 acres surveyed in the second survey of native hay, Mr. Chairman. In the actual survey it was more than 600.

**MR. G. FINDLAY:** The first question: Why was the second survey needed? What are the results from the first survey? Obviously, there must have been a first survey. What are the results? The Minister can table the results anytime.

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**HON. B. URUSKI:** Mr. Chairman, I gave him the results as to the split that came out in the assessment. Mr. Chairman, I want to tell him as to why was the survey done. We looked at the other areas. There were complaints. We felt that we did not have sufficient data from the initial survey and, on that basis, we decided to take another survey.

**MR. G. FINDLAY:** What is the definition of not having sufficient data?

**HON. B. URUSKI:** Mr. Chairman, I'm advised that the minimum data is to have a minimum of four fields or 100 acres. We did, within the municipality, have less than four fields in terms of the farmer participants. That's what I'm advised.

**MR. G. FINDLAY:** Mr. Minister, I am aware that there were five monitors. That is more than four fields.

**HON. B. URUSKI:** Mr. Chairman, we had two fields, I'm advised, of alfalfa, a total of 42 acres, and then we had three fields alfalfa mix of 165 acres. When you look at the two fields of less than 100 acres, we did not meet our criteria in terms of our own minimum standards that we had. As a result, we had insufficient tame hay data with only approximately 207 acres of data on the original survey.

**MR. G. FINDLAY:** What were the figures for the year before when the base line data were determined?

**HON. B. URUSKI:** Mr. Chairman, I can't provide that information. Staff doesn't have that information here but, when one talks about base-line data, we're all working from very preliminary numbers in any year that we're starting the program. As I indicated when we opened the debate in this area, we will still have what I would call teething problems and administrative problems over, I would expect, the next three to four years cropping up and reassessments made until the program, in fact, works its way through and we streamline our procedures in many areas. So, I would expect that there will be problems cropping up for a number of years yet.

**MR. G. FINDLAY:** Mr. Minister, a majority of producers in this area -(Interjection)- I would dispute that, Mr. Minister. The monitors told me that they were measured in 1985 and 1986 and insured only in 1986, Mr. Minister.

Mr. Minister, in this R.M., and I'm sure like many R.M.'s, there is a very high percentage of the feed is native hay because that's the nature of the cattle industry there. They're kept there because there is a lot of native hay and very little forage within that municipality, or field hay. And you're trying to say that there's criteria, you have to have so much field hay. I daresay you have to have almost every field of hay in that R.M. on the program or you don't have enough. I would say 90-10 in favour of native hay in that area, 90-10. If you went there in '85 - and I know you did. Your agents went there in 1985 and they measured the native hay. Farmers were led to believe that was what they were insuring when they took out that insurance program and it's right in the program details that native hay is covered in the program.

**HON. B. URUSKI:** Are you saying that the municipality is 90-10?

**MR. G. FINDLAY:** I say it can be as high as that. If you ask me what my proportion is, Mr. Minister, my personal proportion would be about 85-15 in terms of native hay, and that's a fact of life. The farmers, when they were sold the program, were sold it on the basis that they could protect themselves from drought and from flood. When you're considering the nature of the source of forage, they were naturally considering that they were covering themselves for what the program brochure said they could cover themselves for.

Therefore I request, again, that the data that was collected in 1985 and 1986 on measurements made on the monitored farms in the R.M. of Shoal Lake be presented to this House. And I would also like to know if there are any other municipalities in the same dispute that this municipality is in, because the R.M. councillors are extremely upset by the way things have been operated.

**HON. B. URUSKI:** Mr. Chairman, I read the data that we had for 1986 where I indicated there were two fields of alfalfa and 42 acres monitored and alfalfa mix. There were three fields at 165 acres; there was no data taken in '86, as I'm advised, on native hay. So, Mr. Chairman, that was the reason that in fact because of insufficient data that a second sampling of 10 other producers was undertaken. The second sampling, which I read out to my honourable friend in terms of the breakdown of production, I can tell him that there were 456 acres of tame hay surveyed and 647 acres of native hay surveyed. And, Mr. Chairman, on . . .

**A MEMBER:** This is on the second . . .

**HON. B. URUSKI:** Pardon me? This is on the second go-around; 456 acres of tame hay and 647 acres of native hay, giving the percent of total production. I'll give it in exact terms because I rounded it off, 43.3 on tame, 56.7 on native. And I said 55 and 45, Mr. Chairman, so I had it rounded off.

**MR. G. FINDLAY:** If, as you said earlier, there were no measurements made in 1985, how are you going to determine a payout in 86? What baseline data are you using to determine if you're over or under 70 percent of normal?

**HON. B. URUSKI:** Mr. Chairman, I don't believe that the R.M. of Shoal Lake was included in the program in 1985. There was no program there; 1986 was the first year for the R.M. of Shoal Lake. I'm going from memory.

Mr. Chairman, what our staff could establish in the data in '85, the alfalfa was at 1.046 tonnes per acre alfalfa grass; .938 tonnes per acre . . .

**A MEMBER:** What was that again?

**HON. B. URUSKI:** I'm sorry. In the R.M. of Shoal Lake, based on the data out of 1985, we had an average of 145 percent above normal, above the 70 percent average. The yields were, as I'm going to give him on an average, 1.046 tonnes per acre for alfalfa; alfalfa



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grass, .938 tonnes per acre; and tame grasses at .885 tonnes per acre. There was no native sampling out of '85.

**MR. G. FINDLAY:** These are the figures you gave me for '85 now, is it? The figures you just gave me are now for '85?

**HON. B. URUSKI:** That was the base as of 1985. There were no samples, there was no base yield taken for native hay in '85.

**MR. G. FINDLAY:** Why not? Why not native hay in a municipality where, as I say, it's 80 or 90 percent of the normal production?

**HON. B. URUSKI:** Well, Mr. Chairman, I'm advised that weigh ins were done but we did not have the records for them.

**MR. G. FINDLAY:** I don't quite understand. If the weigh ins were done, where did the data go to?

**HON. B. URUSKI:** Mr. Chairman, we did not have enough historical data to establish a base and that's why it was not computered into the program.

**MR. G. FINDLAY:** We are talking here about collecting data in 1985 to establish a base. The municipality did not enter the program until 1986 and I would say - what? - another roughly 100 municipalities fit into this same category. They weren't on the program in '85 or into the program in '86, because you chose to use the money that was offered for the drought assistance in the southwestern part of the province in '85 as seed money to start this overall program. There are roughly 100 municipalities in this category where the base data had to be collected, R.M. by R.M., in 1985, and if you didn't have the data available and ready, how could you sell the program to the farmers over the winter of '85-86?

**HON. B. URUSKI:** Mr. Chairman, if the honourable member suggests that \$300,000 would in fact be enough to establish -(Interjection)- Pardon me? Well, then he's right and that's precisely what we did. We started the process going and we will be, I venture to say, over the next five to ten years still evolving and re-evolving the data base in order to establish some patterns of production. We will for the next decade or so be making guesstimates in many of these areas, I venture to say; they will not be 100 percent foolproof. I venture to say, in any production yields, there will be differences of production from farm to farm, and what we will try to do is get an average. The average in the eyes of whoever is on the other side of the fence will never be enough to satisfy him.

**MR. G. FINDLAY:** I will just ask the Minister directly then, do you believe you have enough data on which to say that you can establish baseline data, therefore enough data on which to sell a program where farmers are paying substantial premiums for protection that may not in fact really exist, because there isn't enough baseline data to establish effective comparisons from

year to year? He needs three or four years to establish his baseline data before he can start selling a program.

The reason farmers are upset is that in 1984, you had - what? - five municipalities on the program and there were substantial payouts announced of \$50, \$80, \$100, \$120 a cow. In 1985, there were 22 municipalities on the program and payouts in 20 of the 22 again would appear to be very liberal payouts. Then the program was sold across the province on the basis that you could protect yourself from drought, from grasshoppers, from flood, from whatever comes along and, all of a sudden, there are no payouts, with maybe the possible exception of a small one in one municipality. So there's a perceived lack of credibility from one year to the next because the farmers who live in these municipalities, the farmers who are monitors, they know how much production they're getting from their native hay fields, or their tame hay fields year in and year out. They know very accurately. But when somebody comes and tells them that one year you had 60 percent and you get paid out and the next year you have 130 percent, no payout, they know whether that's in fact true or not because they're the ones who harvest the hay and put it up, Mr. Minister.

There needs to be a clear statement from the corporation as to what is going on. And I think when you go and see the R.M., I think it's the 16th maybe, this magical day 16th, that might be the meeting with the R.M. of Shoal Lake, there are going to have to be some real answers given, because they're upset. They're very upset. They think that they've been snookered a little bit in terms of paying a premium and all of a sudden not getting a payout when they know that they only got about half a crop. They got about half a crop. They know what acres they took native hay off in past years, and this past year they were flooded and it was tough to get hay when there was six inches of water in it. I defy you to produce equipment that will do it. If you have it in the Interlake, send it out to Western Manitoba. We'd like to use it.

**HON. B. URUSKI:** Mr. Chairman, I want to say that there are only two R.M.'s in the province where this problem actually existed, and it happens to be in the honourable member's own backyard. I wonder whether staff are actually being extra sensitive because of the critic's area, and are trying to bend over backwards on the very issue. Because I recall, Mr. Chairman, that when we were making the changes in our regular program, who was the expert in the crop insurance field and led the charge of the Conservative Party and attempted to turn farmers against the changes that we proposed? None other than the present Member for Virden, and he can stand up in this House all he wants. He was the one who wrote to papers all over the province, sending his letters to the editor and trying to discredit the changes in the Crop Insurance Program.

But frankly, Mr. Chairman, farmers didn't believe him. Farmers went into the program and we had greater participation, greater dollar participation, greater acre participation and greater producer participation than we've had in many years in the new program.

So, Mr. Chairman, I want to tell my staff that, if they are being extra sensitive because of some of the stuff that the Honourable Member for Virden now is raising,

I will tell them to be less political in terms of being sensitive to an Opposition member, because I think he may be, in a sense, building a case, a straw man, in the hope that there will be some political pressure placed on the crop insurance staff, when in fact the only two municipalities that we've had some difficulties with are those right in his backyard.

**MR. G. FINDLAY:** On every question this evening, I have simply asked to explain what is going on. That is all I ever did a year or two ago, just explain what is going on, put out enough information so that people can make logical decisions based on facts. That's all I'm asking here, Mr. Minister. I wasn't even personally aware of what was going on until farmers started calling me, after they got the letter with the 145 percent in. That raised the red flag because, as I said earlier, they know what percentage they got off the areas they normally harvest. They raised the flags, not me. I'm just asking you to present the information that can answer the questions.

Obviously you have staff who are doing jobs who I respect and, if the jobs are done the way we'd want them done, the answers are there, the data has been presented. You produced a sheet of paper there this evening that had a number of figures on it in terms of measurements, and I see nothing wrong with tabling that in the House here, measurements made. If everything is above board, and perfectly logical and done the way the program was struck, I see nothing wrong with tabling that data. Until it is tabled, there is that element of doubt about whether the measurements are, in fact, the measurements used in making the calculation on all municipalities.

You say there are only two in my area that there are concerns with. I'm not so sure of that unless we have enough facts to demonstrate to me that there are not just two. All we want to do is clear the air, Mr. Minister, and nothing more I want than credibility for this corporation, because I know the situation farmers are in. I know the desire to cover their potential risks and losses, not only in cereal crops but in hay production, and the program, as sold, the program, as operated in '84 and '85, indicated to farmers that there was real protection here.

When farmers come to me from the R.M.'s who were involved in '84 and '85, and say, boy I really got good return. It kept me in the cattle business because there were payouts there I couldn't believe could happen. That isn't helping the credibility if those things happen, so I would ask the Minister to table the information so we can discuss it from a point of knowledge and information. That's all I'm asking.

I resent the Minister taking a political route to try to discredit what I bring forward, because it just so happens to be in my backyard. I was annoyed that it was in my backyard, because I felt that maybe it ties my hands. I said no, I think that Minister's above that, but I'm disappointed that he took that route here this evening, very disappointed.

**MR. DEPUTY CHAIRMAN:** Committee rise?

**HON. B. URUSKI:** Mr. Chairman, just before we leave, if the honourable member took offence in terms of what I said, I apologize to him and I do that outright.

**A MEMBER:** Did he apologize to you?

**HON. B. URUSKI:** Mr. Chairman, no, they didn't apologize to me on sugar beets. Mr. Chairman, I want to indicate that staff will be meeting with the R.M. council, and further discussions will be held on the 15th. Those figures that I quoted in the House today will be presented to council members and a discussion will ensue. From that meeting, staff will be making a determination as to what additional surveys and/or adjustments should be made in the final compilation of the figures.

**MR. DEPUTY CHAIRMAN:** Is this a final question then? Can we wrap it up . . .

**MR. G. FINDLAY:** I just asked for that information to be tabled that he's passing over the edge there right now, that data. Is that possible?

**MR. DEPUTY CHAIRMAN:** Mr. Minister, can you table that data?

**MR. G. FINDLAY:** Is the Minister making it very clear that, at the meeting with the R.M., there is open negotiation to take place?

**MR. DEPUTY CHAIRMAN:** For the member's information, the Minister, to my knowledge or understanding, has already put on the table and read out all the numbers that are relevant for the questions asked.

Mr. Minister.

**HON. B. URUSKI:** Mr. Chairman, I will have this document copied, and I'll bring it tomorrow morning or tomorrow afternoon. As soon the House begins, I'll give it to him then.

**MR. DEPUTY CHAIRMAN:** Very good.  
Committee rise.

## IN SESSION

**MR. DEPUTY SPEAKER, C. Santos:** The Honourable Minister of Finance.

**HON. E. KOSTYRA:** I move, seconded by the the Member for Turtle Mountain, that the House do now adjourn.

**MOTION presented and carried** and the House adjourned and stands adjourned until tomorrow at 1:30 p.m. (Tuesday)