



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

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**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

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37 Elizabeth II

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fourth Legislature**

**Members, Constituencies and Political Affiliation**

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, October 17, 1988.

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**Hon. James Downey (Minister responsible for the Communities Economic Development Fund):** I have a statement to make. I have copies for the Members of the House and I will wait until they are distributed.

I rise today to make a brief statement regarding a special audit being carried out on the Communities Economic Development Fund. I have received a letter from the Provincial Auditor, Mr. Fred Jackson, advising me of certain recent allegations received from the employees of the Communities Economic Development Fund and other individuals outside the fund.

This is further to the concerns he has raised in his ongoing reporting of CEDF. Upon receiving this information, and following discussions with the Minister of Finance, Mr. Manness wrote to the Provincial Auditor requesting that he undertake a special audit of the fund. I immediately contacted the chairperson of the board, Barbara Bruce, requesting a meeting with the board.

At that meeting, I informed the board that I had received correspondence from the Provincial Auditor advising me of the allegations and continued mismanagement that have been raised. Representation of the board then met with the Provincial Auditor. At the following board meeting, a resolution was passed agreeing to meet immediately with Mr. Jones to discuss the allegations and to seek his agreement to relinquish his authority as general manager for such a time as may be necessary to enable the Provincial Auditor to investigate the allegations.

The next day, the board met with Mr. Jones to advise him of the special audit and the proceedings. At this meeting, Mr. Jones agreed to relinquish his position as general manager and ceased immediately to operate in this capacity. The same day, the board appointed Mr. Ray Gamman, of the firm of Deloitte, Haskins and Sells, to act as acting general manager, effective October 13, 1988, and ending, unless otherwise agreed, on November 30, 1988.

The objective of the audit is to determine whether appropriate management action has been taken to resolve the concerns identified in the Provincial Auditor's Report to the Legislature for the year ended March 31, 1987, and to determine which of the allegations the Auditor recently received are based on substance or are in fact unfounded. Thank you.

**Mrs. Sharon Carstairs (Leader of the Opposition):** We are delighted to hear this announcement in the

Legislature today, although we are somewhat dismayed that we had to first learn it from the media and not from the Minister himself. I note with interest that there are no dates attached anywhere in this announcement as to when exactly and specifically he did order such an audit.

We can only assume that it was ordered some time last week, and we think that in the interests of good Government in Manitoba that we should, in this House, have been immediately informed.

The second thing, which I hope is an oversight in typing, Mr. Speaker, but I am very concerned about paragraph 5 in which it says: "At that meeting, I informed the board that I had received correspondence from the Provincial Auditor advising me of the allegations and continued mismanagement." It would appear from that, without certain words in there, that they have already assumed that there is mismanagement of this corporation. I think that is most unfair. If that is not the meaning, then I certainly hope the Minister will correct that. Thank you.

\* (1335)

**Mr. Steve Ashton (Thompson):** As CEDF critic for the New Democratic Party, I, too, am concerned about the fact that we in this Legislature read about allegations that have been made involving CEDF. We had to read about it on the front page of the newspaper. My understanding is that the suspension involved in this particular case was handed down last Thursday. Why there could not have been a statement either in the House on Thursday or Friday, I do not know.

I am also somewhat concerned, too, about the statement made by the Minister and the fact that he has made no reference to recent statements involving the Auditor and in fact also the Touche Ross Report, which was tabled, I believe, in March of 1988, which had some specific analysis of the management practices at the board.

I quote from the executive summary of the report, Mr. Speaker, when it said: "Management has done a commendable job in enhancing administrative controls over the past two years." The report made five recommendations in terms of the way it could be further improved. The Minister has made no mention of that in this statement today, which I think is certainly relevant to this particular area. In fact, in the period of time that he has been Minister, there has been no mention of it.

Our concern in the New Democratic Party caucus is to make sure that the mandate of CEDF to serve northern and Native communities is maintained. That was something that was also outlined in the Touche Ross Report when it talked about making sure that there is a balance between control and also not swinging the pendulum too far to the control side with the

accompanying detrimental effects for the very important mandate of the fund to provide assistance to economically disadvantaged persons in remote and isolated regions.

Given the recent developments and given the fact that the Conservative Government recently changed a number of appointments to the board, I would hope that the Minister would make it clear that the role of CEDF will be maintained and enhanced in serving disadvantaged Manitobans particularly in northern communities.

I would ask that he do come up with some clearer information than is located in this stand on that particular underlying concern, and also the questions that have been raised about the dates as to when these allegations were raised, and what specifically are involved with those allegations.

**Hon. James McCrae (Attorney-General):** I am pleased to table the Annual Report, for 1986-87, of the Department of Cooperative Development.

## INTRODUCTION OF BILLS

### BILL NO. 34—THE MUNICIPAL AMENDMENT ACT

**Hon. Glen Cummings (Minister of Municipal Affairs)** introduced, by leave, Bill No. 34, The Municipal Amendment Act; Loi modifiant la Loi sur le municipalités.

\* (1340)

## ORAL QUESTION PERIOD

### Federal Sales Tax Changes Negotiations

**Mrs. Sharon Carstairs (Leader of the Opposition):** My question is for the First Minister (Mr. Filmon). About 10 days ago, we heard from the head of the House of Commons Finance Committee that the new tax that will be imposed on Canadians after the election will result in a \$10 billion tax grab from the Canadian people. That was denied by the Prime Minister of the country, but today we have confirmation from a consultant to the Department of Finance. He does not say it is going to be \$10 billion; he says it is going to be a mere \$8 billion that Canadians are going to be asked to pay and that those rates are going to be from 8 percent in Alberta to 23 percent in Newfoundland.

Can the First Minister tell this House what negotiations his Government has had with the federal Government with regard to this new sales tax, and at what rate has it been set for Manitoba?

**Hon. Gary Filmon (Premier):** That is a question that should more properly be put to the Minister of Finance (Mr. Manness). In his absence, I will take that question as notice.

## Government's Position

**Mrs. Sharon Carstairs (Leader of the Opposition):** It comes as some shock that the First Minister (Mr. Filmon) would not know about these negotiations and would not know what the rates were going to be. Can the First Minister tell the House whether his Government has agreed to the imposition of this new form of sales tax in Canada?

**Hon. Gary Filmon (Premier):** I will take that question as notice as well.

## Budget Promises

**Mrs. Sharon Carstairs (Leader of the Opposition):** In the most recent Budget in this province, there was no tax relief, and further, in that this Government said in their election campaign that there would be no new taxes during their administration, can the Premier (Mr. Filmon) of this province assure Manitobans that there will be no increase in tax, of sales tax or any other kind, in this province under this administration?

**Hon. Gary Filmon (Premier):** I might remind the Leader of the Opposition (Mrs. Carstairs), who has obviously forgotten, that we removed half of the current businesses who paid the payroll tax in Manitoba off the payroll tax as a result of our Budget.

I might indicate as well that Manitobans would indeed be facing huge increases in taxes were the Liberals to have their way in Manitoba on the \$700 million of demands that they have put upon this Government since we started the Session on July 21. Were we to be able to try and fund those demands, there would indeed be a necessity to increase taxes.

Finally, Mr. Speaker, I will say to the Leader of the Opposition that we will indeed keep our election commitments to the people of Manitoba.

**Mrs. Carstairs:** The First Minister (Mr. Filmon) seems to forget that no one has received any relief from payroll tax yet.

## CEDF Audit Chairman's Suspension

**Mrs. Sharon Carstairs (Leader of the Opposition):** My question is to the Minister of Northern Affairs (Mr. Downey). In his announcement earlier today, and in his calling for the audit of the Communities Economic Development Fund, he indicated that the head of the fund had been suspended with pay. Can he explain why this same individual has indicated that since the audit has been undertaken, he is still attending at the office?

**Hon. James Downey (Minister responsible for the Communities Economic Development Fund):** It was the Board of Directors that took that action, and as I understand it, it was the auditors who requested that same individual attend the office to be available to the auditors.

**Mrs. Carstairs:** Then, for clarification purposes, can the Minister tell us whether he has been suspended or he has not been suspended, or has he been suspended but he is still working?

**Mr. Downey:** Yes, he is suspended with pay and is available to answer questions for the auditors.

### **CEDF Audit Start-up Date**

**Mrs. Sharon Carstairs (Leader of the Opposition):** Can the Minister of Northern Affairs (Mr. Downey) tell the House when, specifically, the audit was ordered and why it took until today for us to learn of it?

**Hon. James Downey (Minister responsible for the Communities Economic Development Fund):** As the Leader of the Opposition (Mrs. Carstairs) may be aware, this problem did not develop overnight. We had several years of an NDP administration. We have had several years of auditor reports indicating difficulties there, Mr. Speaker.

I can indicate that we had a letter from the Provincial Auditor on October 5, and the request was followed immediately for a special audit by the Minister of Finance (Mr. Manness), which I followed, calling a meeting of the Board of Directors of CEDF.

The Leader of the Opposition (Mrs. Carstairs) asked when. I believe it was on the 5th of October we received the letter. On the 6th, the letter went to the Auditor, requesting the audit, and I, the same day, requested a meeting immediately with the Board of Directors of CEDF.

\* (1345)

### **Education Tax Rebate Increase**

**Mr. Bill Uruski (Interlake):** Mr. Speaker, while this Government reduces taxes to Inco and other large corporations in Manitoba, Manitoba farm families continue to experience financial difficulties.

My question to the Minister of Agriculture (Mr. Findlay)—seeing that farm incomes continue to decline and over 400 farm families are being heard before the Family Farm Protection Board, the NDP provided assistance of \$500 per farm family to ameliorate the effects of school taxes in 1987. We pledged to double that support to \$1,000 in 1988. The Conservative Government changed the criteria to allow 25 percent as the deduction of school tax to all owners of farm land whether they farm it or not. That is in their ads.

There are approximately 2 million acres of farm land owned by foreign investors, speculators, land dealers, lawyers and non-farming corporations. These corporations, amongst other things, take out of the farm economy over \$50 million per year in lease fees. This year, they are taking out a further \$2 million from this program. How can this Minister justify taking \$2 million of benefits from Manitoba farmers and sending

it to speculators and land dealers and non-farming corporations out of this province?

**Hon. Gary Filmon (Premier):** Mr. Speaker, only because I know that the Member for Interlake (Mr. Uruski) would not like to leave a falsehood on the record do I rise to address the text of his preamble. I want it to be absolutely clear on the record so that it is not repeated again by anybody on that side that this Government has not reduced the taxes to Inco. In fact, this year, Inco will have paid the highest taxes in its history in this province, something in the neighbourhood of \$100 million in taxes in this province, the highest taxation in its history. Let him not leave on the record the falsehood. In fact, the mining taxes were increased in our Budget from 18 percent to 20 percent. I will let the rest of the question be answered by the Minister of Agriculture (Mr. Findlay).

**Hon. Glen Findlay (Minister of Agriculture):** Mr. Speaker, the education taxes paid by Manitoba for farmers on bare farm land is an extremely unfair tax that farm owners and farm families have recognized for a long period of time. We have introduced a program to recognize that by paying the tax rebate directly to landowners who are the ones who pay the tax. We are recognizing that wives and widows are legitimate landowners in the Province of Manitoba. The previous administration did not recognize that they were legitimate landowners and discriminated very definitely against those people, and we recognize them as legitimate landowners in the Province of Manitoba.

**Mr. Uruski:** Mr. Speaker, I want the Minister to know that wives as well as husbands were in fact able to claim under our program.

\* (1350)

### **Rebate Policy**

**Mr. Bill Uruski (Interlake):** How can this Minister justify how a Manitoba lawyer, who fronted for others outside this province and bought 25,000 acres of farm land between 1978 and 1982, received a benefit of almost \$28,000 from their changes while a small farm family in the R.M. of Rossburn loses or receives \$300 less this year than they did under the NDP program? Can he give us the justification and explanation for that change?

**Hon. Glen Findlay (Minister of Agriculture):** If somebody owns that number of acres in the Province of Manitoba and if they are farming it, they are genuinely available to get the refund back. If they are leasing the land, the lessee then has the right to ask the landowner to pass that benefit on to him.

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

**Mr. Speaker:** Order, please; order, please. The Honourable Member for Interlake.

**Mr. Uruski:** I ask this Minister, knowing—and he knows because he said in Estimates that over 40 percent of

farm families, especially young, beginning farmers, lease lands privately and they will no longer be eligible for support under this program—how will he be able to explain to that farmer why an eastern Canadian lawyer, who bought 8,928 acres for \$5.2 million and received a benefit of almost \$9,800 under their changes to the program, while he reduced benefits to a family farm corporation in my municipality by \$300, can he explain how that program is fair? What is fair about those changes?

**Mr. Findlay:** Mr. Speaker, anybody who is paying taxes on farm land is going to receive the rebate. If the Minister believes that young farmers should have a special consideration, this is not the program to do it under. If they own the land, if the young farmer owns the land, they get the tax rebate the same as any landowner—a wife, a widow, a retired farmer, any legitimate landowner.

The previous NDP administration put in a program that gave hobby farmers and part-time farmers full relief from their taxes. He did not recognize the true legitimate full-time farmers in the Province of Manitoba, Mr. Speaker, and true landowners in the Province of Manitoba, full-time farmers, support this program very definitely.

**Mr. Uruski:** Mr. Speaker, the Minister well knows that all lands that are categorized farm land received a benefit under his program and our program. It is his changes that caused these benefits.

### Grain Prices Compensation

**Mr. Bill Uruski (Interlake):** Mr. Speaker, I ask the Minister of Agriculture (Mr. Findlay): Many farm groups across western Canada have been very patient in the past vis-a-vis the need for additional support in terms of the depression in grain prices. The New Democratic Party nationally has announced its support for farmers; Manitoba farm groups have been calling for support. This Minister said that all they have to do is pick up the phone and phone Ottawa. When will western Canadian and Manitoba farmers, in particular, receive their support for the loss of income as a result of depressed grain prices? Can this Minister tell us?

**Hon. Glen Findlay (Minister of Agriculture):** Mr. Speaker, the producers in western Canada all know that there are no longer depressed grain prices. Grain prices have risen substantially in the last number of months and are definitely expected to rise in the coming months. There was a decline in grain prices in '86 and '87 and a Special Grains Program in '86 and '87 recognized that most definitely. The Special Grains Program in '86 did not pay to some Interlake producers and the Minister of Agriculture at that time, in the Province of Manitoba, was asked to act. That Minister at that time chose not to act, Mr. Speaker. He chose not to act.

Mr. Speaker, for 1988, there has been a drought and there have been a number of representations made to the federal Government with regard to programs that

could be used to target assistance to the drought-affected farmers in the Province of Manitoba and across western Canada and also the Province of Ontario. Details of that proposal are being developed by the federal Government in consultation with the Ministers of Agriculture in the western provinces and the farm organizations across western Canada, and those details will be announced when they are ready.

\* (1355)

### Drought Aid Package Provincial Recommendations

**Mr. Laurie Evans (Fort Garry):** Much along the same gist here of 10 days ago, while the Prime Minister was campaigning in Outlook, Saskatchewan, he said that a drought-aid package for producers is in the works, but he went on and—I will quote—he said, "First we have to complete our consultations with producer groups and provincial Governments."

My question is to the Minister of Agriculture (Mr. Findlay). Have these consultations with the provincial Governments been completed, and if they have, can the Minister table the recommendations that went forth from this Government to the federal Government regarding the size and the nature of the drought-aid package?

**Hon. Glen Findlay (Minister of Agriculture):** A meeting was held in Winnipeg here last week involving officials from the Department of Agriculture of Manitoba and officials from Agriculture Canada and other provinces of Western Canada, and details are continuing to be developed, particularly, through the Crop Insurance Corporations of the Prairies on the three prairie provinces.

### Delay

**Mr. Laurie Evans (Fort Garry):** About the same time, Mr. Rod Bailey, who is an Assistant Deputy Minister in the federal Department of Agriculture, made the statement that the announcement of a drought-aid package is probably two months away unless there is political intervention. Now if the announcement is two months away, obviously the payout is much later than that.

My question is to the Minister of Agriculture (Mr. Findlay). Is a delay of this nature justified and will he accept that?

**Hon. Glen Findlay (Minister of Agriculture):** I cannot speak for the federal Assistant Deputy Minister of Agriculture, but I can assure the Member opposite that we are working as much as we can, through the Crop Insurance Corporation, to develop the figures and the information that is needed to get that announced package in place so an early announcement can be given.

**Mr. Laurie Evans:** Assuming then that the comments from Mr. Bailey are correct, is the Minister prepared

to consider some interim arrangement that will put some cash in the hands of cash-strapped farmers while they are waiting for this long-delayed federal announcement?

**Mr. Findlay:** A number of producers in Manitoba chose to take out crop insurance in 1988, and years previous, and payments under Crop Insurance administration will be occurring in the next two to three months and that assistance will be very gratefully received by those in the hard-hit drought areas.

### Cancer Treatments Waiting Period

**Mr. Gulzar Cheema (Kildonan):** My question is for the Minister of Health (Mr. Orchard). This morning, Manitobans were again greeted with another headline that outlines the sorry state of health care in Manitoba. Mr. Speaker, it is bad enough to have a disease like cancer, but it is inhuman to wait to have a treatment for such a disease for six weeks.

Will the Minister of Health explain why there is such a waiting period and would he tell the House if he has been contacted by the families or the patients for the last few weeks?

**Hon. Donald Orchard (Minister of Health):** In answer to the latter question, yes.

In answer to some of the other portions of the question by my honourable friend, I would like to point out to my honourable friend that as Opposition Health critic, as early as 1985, I and my colleague, the MLA for Gladstone (Mrs. Oleson), were indicating to the then Minister of Health and the then Government that there were difficulties in achieving, particularly, radiotherapy in Manitoba. Indeed, at one point in time, individuals, I believe, if my memory serves me correctly, were sent out of province for radio treatment a year and a half ago.

Having raised that issue over three years ago to the then Minister of Health, action was taken by the previous administration and a couple of radiotherapy machines are in the process of installation at the Cancer Treatment Research Foundation and the unacceptable waiting times which happened upon occasion over the last number of months ought to be relieved with those machines coming on stream.

**Mr. Cheema:** Mr. Speaker, my supplementary question is for the same Minister. Can the Minister tell us how long he has been aware of the serious neglect and what action he is taking to ensure that cancer patients will be receiving treatment when they need it and not six weeks later?

**Mr. Orchard:** My awareness stems back to 1985, at which time I brought that problem to the then Minister of Health, and to give him credit, they approved installation and capital expenditures of some new radiotherapy treatment machines. My awareness, my concern and my direction and urging of the then Government into action goes back to 1985. I am pleased to say that is one of the recommendations taken seriously by the then Government when I was critic for Health.

\* (1400)

### Health Care Media Blackouts

**Mr. Gulzar Cheema (Kildonan):** My final supplementary for the same Minister. This unacceptable delay came to light because of the patients speaking about this issue. We see that health care professionals will not comment on the problem because of media blackout. Mr. Speaker, will the Minister of Health (Mr. Orchard) tell us—are there any other problems in our health care system being covered up by media blackout?

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, let me indicate to my honourable friend that 18 months ago not only were Manitobans waiting upwards of six weeks for radiotherapy, they were indeed going out of province to receive it.

As much as my honourable friend wishes to show that he cares for those individuals who unfortunately need radiotherapy treatment in the Province of Manitoba, he is not alone in that desire for improvement. That is exactly the issue that my colleague, the MLA for Gladstone (Mrs. Oleson), my deputy critic, the MLA for River East (Mrs. Mitchelson), and myself, over the last three years, have drawn to the previous administration's attention. As a result of that, and I give them credit, they approved the capital expenditure for new radiotherapy equipment which, because of its sophistication, is not instantly at the snap of a finger available and installed. That process is under way.

In the meantime, the circumstances of undue delays do exist for certain individuals and that is most unfortunate and those are unacceptable levels of treatment. Manitobans are not going out of province any more for radiotherapy. There have been changes made in order to enhance the capability with the existing equipment.

Contrary to my honourable friend's allegation of a media blackout, I am not aware of any media blackout that has been mandated by any health care institution. It may say so in various reports, but I am certainly not aware of that.

### Unemployment Figures Seasonal Increase

**Mr. Leonard Evans (Brandon East):** Mr. Speaker, today in Manitoba there are 7,000 more people unemployed than there were last year. This is equivalent to the entire population of Souris, Carberry, Melita, Oak Lake, Rivers, Glenboro and Wawanesa combined. On Friday, we heard media reports that federal employment counsellors in Brandon were suggesting to people looking for work that they should begin to look in the Province of Saskatchewan because this coming winter unemployment was going to get worse, especially in communities outside of Winnipeg.

My question to the Minister of Employment Services (Mrs. Oleson) is what is she prepared to do to address this problem of growing unemployment this winter?

**Hon. Charlotte Oleson (Minister of Employment Services and Economic Security):** Mr. Speaker, I do

not know where the Member gets his information about people being told to go to Saskatchewan. I certainly have not given a directive like that. I announced, in a press release and in this House, on Thursday, a program for that very reason, because there is unemployment, because people are on social assistance—a program costing \$1 million; also, an enhancement of another program that helps put people to work.

**Mr. Leonard Evans:** Mr. Speaker, the Minister asks. There was a report on the CKND television station to that effect, that workers should begin looking in the Province of Saskatchewan.

### Job Funding Initiatives

**Mr. Leonard Evans (Brandon East):** The UIC office of Brandon is saying that higher unemployment is expected this winter. The figures, the latest we have for that region, have gone up from 5.7 percent to 7.1 percent in the Westman area. That is for the month of August. That is the latest we can get so far out of Stats Canada. So the figures show that as well.

The Minister announced last week a structural unemployment program—nothing for the downturn in the business cycle. Will the Minister now reconsider her position and reinstate the Job Training for Tomorrow Program or other job funding initiatives to give some work to people in that area?

**Hon. Charlotte Oleson (Minister of Employment Services and Economic Security):** This gives me an opportunity to remind the Member that the Job Training for Tomorrow Program is still ongoing. The funds are committed. We are not taking any new people into it, but the program is still ongoing.

**Mr. Leonard Evans:** The Minister does not seem to realize that that money is running out and there will be fewer people being helped by it. It will soon be finished. I say that is another reason why we should consider funding the Unemployed Help Centre in Brandon in the future.

### Federal Sales Tax Changes Impact on Manitoba

**Mr. Leonard Evans (Brandon East):** I have my last question that I would like to address, if I may, to the Minister of Finance (Mr. Manness). While our economy is going into decline, the federal Government is pursuing a sales tax proposal that will take \$500 million per year out of Manitoba's economy, costing Manitoba families, on average, \$1,050 in taxes. Will the Minister of Finance immediately contact his federal counterpart and tell him that this proposal must go no further as it would further jeopardize the economy of the Province of Manitoba?

**Hon. Clayton Manness (Minister of Finance):** Members, particularly of the NDP, persist in putting falsehoods on the record. Let me say that there is absolutely no proposal before the province at this time that is going to draw out larger amounts of sales tax

revenue from this province. Right today the official line is, and the one that the Province of Manitoba is working with, that any change in the application of national sales tax, in combination with provincial sales tax, as was being worked upon by my predecessor, Mr. Kostyra, was going to be a tax neutral to the nation as a whole and to the Province of Manitoba. So let the record be clear on that issue.

### Government's Position

**Mrs. Sharon Carstairs (Leader of the Opposition):** A question to the Minister of Finance (Mr. Manness). The Minister of Finance has just indicated that this would be a tax neutral program. Has he, on the basis of reports by the head of the House of Commons Finance Committee—a report which was justified and accepted by a consultant to the ministry of Finance at the federal level which says revenues would be between \$8 billion and \$10 billion—has he consulted with the federal Minister of Finance and said that would be an unacceptable program?

**Hon. Clayton Manness (Minister of Finance):** Not only have I done that, but at the same time there was information coming directly to me from Mr. Wilson, indicating that Mr. Blenkarn's statement, indeed those that were associated with it, was far, far off the mark. The Government of Canada, by way of information that has come to me from Mr. Wilson, and indeed by way of information that comes to me from staff, indicates that any contemplation of sales tax reform, national, particularly national, Part 2 of tax reform was going to be tax revenue neutral.

**Mrs. Carstairs:** Has the Minister of Finance (Mr. Manness) asked for indications from the federal Minister of Finance why a consultant from Clarkson Gordon would provide a figure to the public media that this is not neutral but indeed will be robbing Canadian taxpayers of some \$8 billion?

**Mr. Manness:** No individual in this country has a higher credibility that is so shaded with fiscal matters than Mr. Wilson, certainly nobody within the federal Liberal Party.

Mr. Wilson has indicated on many occasions that any reform with respect to national sales tax would be neutral, that the net effect to all consumers of products and services within Canada would be no different whatsoever, represent no increase in taxation. That word has been directly communicated to me again by Mr. Wilson as of last week. That is the final authority on the matter.

### Tax Neutral Program Guarantees

**Mrs. Sharon Carstairs (Leader of the Opposition):** With a supplementary question to the Minister of Finance (Mr. Manness). Can the Minister of Finance tell this House if his correspondence with the federal Finance Minister has asked a very important question: why has this type of system never, in any other country,



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ever produced a neutral system; why it has always resulted in substantial increases to the taxpayers of those countries so affected?

**Hon. Clayton Manness (Minister of Finance):** If the Leader of the Opposition (Mrs. Carstairs) had some basic understanding as to increased levies versus across-a-broader scale of taxes, she would realize that once a priori condition comes out that they be neutral, that the levies in effect are dropped if you are going across a wider base. That is how you can guarantee tax neutrality. If you are going to keep, in effect, the same levels of tax levy against a larger base, naturally there would be more tax on it, but that is exactly what Finance Minister Wilson said he would not do. He said that there would be a compensating factor that indeed would guarantee tax neutrality.

Now if the Member wants to sit cooly in her chair and indicate that she does not believe it, let her stand up and say so.

**Mrs. Carstairs:** I have already said it.

**Mr. Manness:** Say it again.

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

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

\* (1410)

### Literacy Task Force Program Funding

**Mr. Jerry Storie (Flin Flon):** Many of the groups who were supposed to be the recipients or are involved in literacy training in this program were critical of the Minister's announcement on Friday. The headline in the Winnipeg Sun said, "Group Slams Illiteracy Study." Manitobans involved in the literacy training across this province expected action from this Government when it came to literacy and we have an announcement of a task force.

Given that it is already late in this fiscal year and it is unlikely that this task force will be able to accomplish much of its mandate before the end of the fiscal year, given the need for literacy training in the province, will this Minister now agree to transfer some \$250,000 of that \$300,000 to groups who are actually providing training to people in need of literacy training? Will he do that now so that the work of those groups, the very valuable work, can go forward?

**Hon. Leonard Derkach (Minister of Education):** I certainly do not accept any of the remarks that are being made by the Member for Flin Flon (Mr. Storie). However, I do want to address this issue because again the Member for Flin Flon was not correct. From reading the reports, it appeared as though there was one person who was critical of the program.

I would like to address the issue because the illiteracy rate in our country, in our province, is not decreasing. It is increasing. Therefore, we have to address this very serious issue.

Mr. Speaker, it was indicated in the report that only some \$120,000 is being spent on literacy programs in the province. The truth is that some \$9.2 million is being spent on literacy programs in this province and our illiteracy rate is still rising. We have to identify the areas where illiteracy remains in this province. We have to identify the kinds of programs that we need to implement to complement the programs that are already in existence.

The federal Government has just made a huge announcement of some \$110 million which will go to literacy programs and which we will be able to access from the federal Government. Right at this present time, officials of my department are working on programs whereby we can access those funds that have been made available to us by the federal Government.

**Mr. Storie:** The Minister's suggestion that \$9 million is being spent on basic literacy training is a gross exaggeration. Order-in-Council No. 1101, dated September 14, 1988, indicates \$137,000—

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

**Mr. Storie:** —is being spent on literacy, including the work being done by the school division.

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

### Chairperson Dismissal

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

**Mr. Jerry Storie (Flin Flon):** Given that this is an important issue, given that thousands of Manitobans want some answers, want some action, when it comes to literacy, will this Minister now agree to remove Mrs. Vodrey as chairperson of this task force, who has political ties to the Minister, is going to be working on this Minister's agenda, not on the agenda that is of interest to the people involved in training and the people who need that training? Will this Minister now agree to appoint someone independent who will have the faith of the people involved in literacy training so that their interests will be put first?

**Hon. Leonard Derkach (Minister of Education):** Mr. Speaker, I hope you will give me the same latitude to answer this question in depth because I do believe that it requires an in-depth answer. First of all, the Member for Flin Flon (Mr. Storie), who used to be a Minister of Education, did nothing about literacy and should know that, in fact, right at the present time, we are spending some \$5.2 million on adult basic education. Is he denying that this is a form of attack on illiteracy in the province?

We are spending another \$2.3 million on English as a Second Language. We are also spending another \$1.5 million on literacy programs in Kindergarten to Grade 5 level and \$120 million on community-based programs. In addition, I have to say that this task force will identify how we can complement those programs.

I find it appalling that this Member for Flin Flon would raise in this House a slandering or slamming comment against the chairperson of the Literacy Task Force. I am very proud of this task force and I would just like to show you the kind of people that are on this task force. We have a woman who is a school psychologist who is heading up this particular literacy task force.

**Mr. Storie:** I am glad to hear the list of other projects that the Department of Education is working on, including English as a Second Language. I was talking about basic literacy.

My question to the Minister is a simple one. Will he consider putting someone in charge of this task force who is independent and impartial and not a Progressive Conservative candidate? Will he consider putting someone in charge of this—

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

**Mr. Storie:** Mr. Speaker, may I finish my question?

**Hon. Gary Filmon (Premier):** Terry Sargeant or Phil Eyler?

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

**Mr. Storie:** For the information of the First Minister (Mr. Filmon), who shouted from his seat—

**Mr. Speaker:** Would the Honourable Member for Flin Flon kindly put his question now?

**Mr. Storie:** —neither of those individuals chaired a task force of this importance to thousands of Manitobans.

My question to the Minister is could the Minister not find someone independent, someone who would have the faith of Members of the Legislature, the people involved in training, the people who need this training, who would have—

**Mr. Speaker:** Order, please. The Honourable Member for Concordia, on a point of order.

**Mr. Gary Doer (Leader of the Second Opposition):** Yes. The First Minister (Mr. Filmon) should be setting an example in this House instead of yelling and screaming from his seat on a very important issue dealing with the literacy and illiteracy in this province. I would ask you to call him to order for his comments.

**Mr. Speaker:** I would like to thank the Honourable Member for Concordia. I have recognized the Honourable Member for Flin Flon and I am sure we want to give him the courtesy of listening to his question.

Will the Honourable Member for Flin Flon kindly put his question now.

**Mr. Storie:** Thank you, Mr. Speaker. Concluding my question—Mr. Speaker, will this Minister consider appointing someone impartial who would have the faith of these groups, who would be working on a timetable

of interest to the people who provide the training, the people who need the training, rather than the Minister's agenda which, rightly or wrongly, will be suspect in this particular case—this is an important issue—or will the Minister actually provide the money to the groups so that they can provide training?

\* (1420)

**Mr. Derkach:** Mr. Speaker, I think Manitobans, not just the House, but Manitobans are taking objection to the kind of comments that are being made by the Member for Flin Flon (Mr. Storie).

For the benefit of the House, I would like to indicate that the chairperson of this task force committee is a woman. She is a school psychologist, she is a lecturer at the University of Manitoba and Misericordia School of Nursing, she is secretary-treasurer of a family business, she has served on numerous boards in her community, and she has worked with children's groups. She is extremely capable and I believe that Manitobans welcome a person of this calibre to head up a task force.

In addition, we have on this task force representation from the Native community; we have representations from the ethnic community; we have representation from the visible minorities, the universities, the colleges, the Manitoba Association of School Trustees, the Manitoba Teachers' Society and the Manitoba Association of School Superintendents.

Mr. Speaker, I think this is an extremely capable organization and task force and I look forward to their report, and so do Manitobans.

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

## NON-POLITICAL STATEMENTS

**Hon. James McCrae (Attorney-General):** Mr. Speaker, I rise to seek leave of the House to make a non-political statement.

**Mr. Speaker:** Does the Honourable Attorney-General have leave to make a non-political statement? (Agreed)

**Mr. McCrae:** Mr. Speaker, I know all Honourable Members would like to join with me in observing Co-op Week in Manitoba, which was proclaimed today. Honourable Members know that the cooperative movement in Manitoba, including cooperatives and credit unions and caisses populaires, have added significantly to the quality of life in this province and have created employment and provided goods and services to many thousands of Manitobans for many, many years.

In addition, Mr. Speaker, Credit Union Day, journée des caisses populaires, has been proclaimed for October 20, later this week.

I think all Honourable Members would like to join with me in saluting the over 500 cooperatives we have in this province, which include cooperatives as well as credit unions and caisses populaires, and salute them

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for the thousands of jobs that they provide for Manitobans in addition to all the goods and services that are provided to Manitobans.

**Hon. Donald Orchard (Minister of Health):** I ask leave of the House for permission to make a non-political statement.

**Mr. Speaker:** Does the Honourable Minister of Health have leave? (Agreed)

**Mr. Orchard:** Thank you, Mr. Speaker. As I did a couple of weeks ago, I had the honour of attending a football game at which we declared the ensuing week "Eye Bank Awareness Week." Likewise, Mr. Speaker, I had the honour on Saturday of attending a reception in the Legislature in honour of the homemakers who provide support to seniors and other Manitobans in the province through the Home Care Program and through independent provision of services to the private sector.

Mr. Speaker, that reception was to kick off Homemaker/Home Support Week, which is to be honoured across Canada from October 17-23. I know that all Members of the House would want to join me in wishing the homemakers across this province, and indeed across this nation, our best wishes and also our desire that they continue to provide the kind of quality support in the home that they have become reputed to do with such care and dignity for those who need it. Thank you, Mr. Speaker.

**Mr. Steve Ashton (Thompson):** I would also like leave to make a non-political statement.

**Mr. Speaker:** Does the Honourable Member for Thompson have leave to make a non-political statement? (Agreed)

**Mr. Ashton:** As Co-op Development critic for our caucus, I would like to second the sentiments of the Minister of Cooperative Development (Mr. McCrae).

We, certainly, in our caucus, pay tribute to the cooperative sector. I think it is a sector in the Province of Manitoba because co-ops are involved in many divergent areas in terms of different types of businesses and different forms of co-ops and many Manitobans, whether it be through the co-ops themselves or through credit unions or members of the co-op movement, and we certainly salute them during this week.

I know I will have some other statements to make which are of a political nature so I will not make them in a non-political vein. Perhaps if I can just suggest that we all, as Members of the Legislature, take the opportunity to put into practice some of the statements that we are saying on occasions such as this in our everyday activities in terms of policy making.

**Ms. Avis Gray (Ellice):** I ask leave to make a non-political statement.

**Mr. Speaker:** Does the Honourable Member for Ellice have leave to make a non-political statement? (Agreed)

**Ms. Gray:** Mr. Speaker, on behalf of Members on this side of the House, I would like to join with the Government in recognition of Homemakers Week.

Having worked with a number of home support staff within the Department of Health, I echo the Minister's comments when he says that we certainly recognize the very great efforts of these people who do provide a service in our community. I think only when one has had the opportunity to meet home support staff individually and hear some of the situations with which staff have worked with for 5, 6, and in some cases 10 years in the community, we then begin to recognize the extreme dedication and self-sacrifice that these homemakers do provide for the aged and infirmed, and for the younger disabled in the Province of Manitoba.

We would join with the Government in recognizing the very great service that these home support staff do provide. I think, Mr. Speaker, we can certainly say that these staff are not paid a large salary, so when people do enter the profession they certainly see it as a career. They enter the profession of homemakers and home support staff because they feel very strongly about providing a service, and they feel they are providing and are offering duty to the Province of Manitoba and to its people in regard to social services. I think we should certainly recognize that and join with everyone here in saying thank you very much to the homemakers and home support staff without which we would not be able to have such fine programs in the Province of Manitoba.

**Mr. Jay Cowan (Churchill):** Mr. Speaker, I would also like leave to participate in a non-political statement regarding homemakers.

**Mr. Speaker:** Does the Honourable Member for Churchill have leave to make a non-political statement? (Agreed)

**Mr. Cowan:** Mr. Speaker, it is indeed a privilege and a pleasure to be able to associate our caucus with the remarks of all the individuals in this House with respect to the recognition of the important role that homemakers play in providing service to their clients and to Manitobans all across the province.

We, too, share the pride, and that is so evident in the remarks by the Minister and the remarks by the Liberal critic regarding the type of service which they are able to provide. It has been said by noted experts outside the province and within the province that Manitoba has one of the best long-term Continuing Care Programs in North America. That program could not gain that statute nor that recognition if it were not for the dedicated hard work of thousands of individuals across the province who everyday go out on the front lines and deal with the clientele who are so deserving of their service and provide to them the type of quality care that has made the program of such excellence.

So we do join with all Members of this House in acknowledging the work that they do, in recognizing that they do so in perhaps the finest tradition of care givers across this province, and wishing them many, many years of continued success in providing that quality program throughout the Province of Manitoba.

## COMMITTEE CHANGES

**Mr. Edward Helwer (Gimli):** I move, seconded by the Member for Lac du Bonnet (Mr. Praznik), that the composition of the Standing Committee on Public Utilities be amended as follows: Enns for Gilleshammer.

**Mr. Kevin Lamoureux (Inkster):** I, too, have a committee change. I move, seconded by the Honourable Member for Transcona (Mr. Kozak), that the composition of the Standing Committee on Public Utilities and Natural Resources be amended as follows: the Honourable Member for Selkirk (Mrs. Charles) for the Honourable Member for Niakwa (Mr. Herold Driedger).

\* (1430)

## ORDERS OF THE DAY

**Hon. Clayton Manness (Acting Government House Leader):** I move, seconded by the Minister for Northern Affairs (Mr. Downey), that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

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

\* (1440)

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY—COMMUNITY SERVICES

**Mr. Chairman, Harold Gilleshammer:** I call to order the Committee of Community Services. We are on Section 4(d) Child Day Care. We will start with a statement from the Minister.

**Hon. Charlotte Oleson (Minister of Community Services):** The statements that I have, the last one or two may relate to day care, but the others are information that had been requested on previous occasions when we met.

There was an inquiry for information as to the number of admissions and discharges and readmissions to the Manitoba Developmental Centre. We have prepared handouts for tabling:

- (1) a listing of the new client admissions to the centre, broken down on a monthly basis for the period of April 1987 to August 1988;
- (2) a listing of the readmissions to the centre, broken down on a monthly basis for the period between July 1987 and August 1988; and
- (3) a listing of the number of discharges from the centre, broken down on a monthly basis between the period commencing January 1, 1985, through to August 1988.

This includes the period the Welcome Home project was under way and up to the present.

I also have a response to the request of the Members for detailed program information on special rate funding and additional care and support under the Programs Branch, services to the mental and physically handicapped. We have for tabling the following—it is an excerpt from the Operational Service Manual—(a) the program description, (b) the service indicators, and (c) the application process. While these are currently in use operationally, the manual is under review for updating. I have that information available also.

I also have a handout to satisfy the Member's request for the job description of the chairperson of the Evaluation Clinic at the Manitoba Developmental Centre.

In response to a Member's request as to the status of training and orientation which the department has provided to regional support and administrative staff on The Freedom of Information Act and the procedure for taking requests, I have the following information for the record. I will table that information with the chairman.

In a further response to the Members as to the department's structure to respond to requests for information under The Freedom of Information Act and the procedures that have been put in place to provide information requested, the department has access officers for The Freedom of Information Act. They are the Assistant Deputy Minister, Child and Family Services; the Assistant Deputy Minister, Community Social Services; the Executive Director, Administration and Finance. Access officers are designated by the Minister for purposes of decision-making on applications for access under The Freedom of Information Act.

Secondly, applications for information will be received in all main regional offices listed on the handout. They will be received by designated Freedom of Information representatives who will also be responsible for preparing recommendations for the appropriate access officers on whether access should be granted or denied to the information requested.

Thirdly, regional directors, review officers, will review the application, the record and the recommendation prior to submission to the appropriate access officer. The process is highlighted on the attached flow charts.

Fourthly, the administrative access system is consistent across all regional offices. The system was developed with the cooperation of the Department of Health. As well, training for those designated positions was accomplished with Health.

Fifthly, there are no additional staff years in regional offices to deal exclusively with The Freedom of Information Act. Six front-line staff in all regions were given an opportunity to participate in an orientation to the Act and recording practices over the last one-and-a-half years. The recording practices seminar is still available and offered upon request from regional offices. I have a handout and a flow chart which indicates the steps involved in the process and a listing of the departmental access locations.

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Also, Mr. Chairman, I have for the Members a summary of child day care waiting lists; the Members were inquiring about the details of that and I will table that.

Also, I have a listing of day care centre expansions approved for development in 1988-89, which also was of interest to the Members and I will table that information.

Also, there was some concern expressed about the Children with Disabilities Program and I will table the booklet from Manitoba Community Services—Child Day Care, Manitoba Community Services—that may be of information and interest to the Members.

\* (1450)

**Mr. Chairman:** On item 4. then, Child and Family Services, (d) Child Day Care (1) Salaries—\$1,341,100, shall the item pass? The Member for Ellice.

**Ms. Avis Gray (Ellice):** One question now—since we will have an opportunity to be asking further questions as we go through the day and the evening—I am wondering if the Minister has available for us, or could get the figures, as to the number of day program spaces that were allocated in the '87-88 budget year and the two previous fiscal years to that.

**Mrs. Oleson:** The Member is referring to the Mentally Handicapped Day Program?

**Ms. Gray:** Yes. I am sorry, the Adult Day Program.

**Mrs. Oleson:** We could get that information.

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

**Ms. Judy Wasylycia-Leis (St. Johns):** No. Mr. Chairperson, I am pleased that the Minister has tabled some information pertaining to this line on waiting lists and construction plans for '88-89.

My first question is related to a concern based on the question of waiting lists. The Minister has tabled general statistics with respect to a regional breakdown. My original concern about what date it was used to result in this new policy still holds notwithstanding the information provided.

My question was going to be, and still is, on what basis the Minister felt that the change in policy and the move towards the creation of 500 flexible or floating subsidies would actually respond to the waiting list problem and to the question of a policy that responds to those in greatest need. I am afraid that the data does not certainly help me answer or give me any insight into that question. I am wondering if the Minister has more detailed information upon which she based her decision or if it was made in a vacuum.

**Mrs. Oleson:** I think the list that I have tabled with the Member indicates of course a need for spaces. I would be the last one to indicate to the Member that those 500 floating subsidies would, in every case, be

a new need addressed as far as a space goes, because some of those children were already in spaces. But there will be some new ones as a result of it.

**Ms. Wasylycia-Leis:** Given the Minister's description of this new policy for the 500 supposed new spaces, could the Minister explain or give us some information that would indicate waiting lists by parents eligible for subsidy in and around communities that have private profit day care centres or unfunded centres or family day centres? Is there a further breakdown that would help us understand the rationale behind the 500 spaces?

**Mrs. Oleson:** The rationale for the move was very simple. There are people who have spaces in their neighbourhood that they were not able to access because they could not get a subsidy. That was drawn to our attention. This addresses a need which had been expressed and which we have discussed many times with the Member over the last period of time when we have been in Estimates.

**Ms. Wasylycia-Leis:** Are there more spaces in demand in neighbourhoods surrounding these private centres than in areas where there are centres on waiting lists for expanded spaces that have been waiting for additional funds from the provincial Government for some time? Was there a greater waiting list on one side of the equation than the other?

**Mrs. Oleson:** Given the large waiting list, we needed flexibility to allow people to access the centre of their choice. This gives them flexibility. This gives them choice in centres.

**Ms. Wasylycia-Leis:** Could the Minister provide us with any kind of numbers that would indicate that there will be that kind of uptake in this program, in this newly directed program, and some evidence that this change in policy will go further to meeting the demand than the current policy?

**Mrs. Oleson:** It is really too soon to tell.

**Ms. Wasylycia-Leis:** So I take it from the Minister's answer that there is no data to back up this change. It is being done totally on an experimental basis and, once it is up and running, then the Minister will be able to tell if it is working or not.

**Mrs. Oleson:** What I was meaning was that it was too early to tell. We do not have the data in from the requests yet, and we may be able to distribute some of those subsidies in different places later on, but we do not have enough data to give a satisfactory answer to the Member right now about what the take-up is on that subsidy program.

**Ms. Wasylycia-Leis:** With respect to the list of centres that have had expansions approved that the Minister has tabled today, I have a few questions. First as it related to the day care centres in schools, the Minister's list includes, I believe, six schools that have been approved for funding of spaces. My understanding is that there were a number of other schools waiting for

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approval that were ready to go for this fiscal year. Could the Minister indicate the status of, and I will list the following, Major Pratt, Sister MacNamara, Pinkham, Ashworth, Mandalay West, Lorette, and Ste. Anne?

**Mrs. Oleson:** Staff have indicated to me that all the spaces that were ready to go have been allocated and approved this year. The ones the Member mentions are to go on stream over the next period of time. They were not ready at this time to start over the next period, even two years. I can think of one school right off hand that is just in the construction stage, so there would be no point in allocating spaces to it because they would not be able to use them this year.

**Ms. Wasylycia-Leis:** So in the case of all the schools that I had mentioned that I had understood had opening dates for September '88 and, therefore, were waiting for approval for funding of day care spaces, those schools have been delayed and will be coming on stream and will be funded as they complete construction.

**Mrs. Oleson:** That is correct. They would go on line after construction. For instance, the Member mentioned Sister MacNamara. I understand the completion day on that is September '89. That is one example I can recall from the list the Member gave me.

**Ms. Wasylycia-Leis:** Could the Minister give us assurances today that all of those schools awaiting or in the final stages of construction, will have their centres and spaces approved once fully operational?

**Mrs. Oleson:** Yes, I have already indicated that. That was part of their agreement when they undertook construction of centres, that they would be funded. So, yes they will be funded.

**Ms. Wasylycia-Leis:** Related to the question of day care centres in schools, there are a number of schools beginning to develop plans for major renovations or actual new construction, and have been in discussions with department, Government officials over a period of time, and certainly would want to know the status of funding of day care centres in schools before embarking upon architectural drawings and certainly before beginning construction. How is the Minister dealing with those requests and that general situation? What is the policy of this Government with respect to day care centres in schools?

**Mrs. Oleson:** The policy has not changed. They indicate their interest and apply to the department. If the Member has some particular school of particular concern, perhaps she could give the names to us, but the policy has not changed in that regard.

\* (1500)

**Ms. Wasylycia-Leis:** I can both give a specific name of a school and ask a general question. The school that is certainly of concern to me, in my own constituency, is Champlain. I know that they are only at the stage of architectural drawings and would want

to know whether or not to include a day care centre in those plans, pending the general direction that this Government is going with respect to day care centres in schools.

Then to go back to my general question which is, is there a commitment on the part of this Government to incorporate day care centres into schools where it makes sense when new construction is being planned, when new schools are being built, when major renovations are being undertaken? Is it the policy of this Government to try to utilize that space for future day care centres even if the uptake may not be immediately apparent?

**Mrs. Oleson:** The Member mentioned the Champlain School. It has been approved, and the school board has been notified of that approval that those spaces have been approved.

With regard to other schools, the task force will be looking at that. I have had discussions and will have discussions in the future with the Minister of Education (Mr. Derkach). It still of course anyway is subject to the approval of the local school boards. Some of them wish to enter into this and some not. It is very much a discussion with the boards, as the previous administration did. As I said, the task force will take a look at that. In some communities, it may be exactly what they want and others it may not. The task force will hear the reviews of people on this.

**Ms. Wasylycia-Leis:** Moving on to some other day care centres and organizations on waiting lists, I have some very specific questions. I hope the Minister will bear with me. I have not had a chance to totally cross-reference it with the list she has provided, but I would like to ask about some specific requests that had been before the Minister to see what the status of those requests are to date. The first would be the Little Bo-Peep Day Care in Windsor Park.

**Mrs. Oleson:** That particular centre is still on the waiting list for 15 spaces.

**Ms. Wasylycia-Leis:** Could the Minister explain why that one is still on the waiting list and some others have been approved by way of her list that she has tabled with us today?

**Mrs. Oleson:** The Little Bo-Peep Day Care, I understand, already has spaces in existence. This was an expansion. What we had to look at with many of the centres was how many more spaces they would need to be viable. I think the Minister would be aware if she has looked at this, that sometimes the addition of a couple of more spaces makes a centre far more viable. Some of them get into financial problems if they have too few spaces. That was one of the criteria we had to look at in allocation of spaces. So some of them got some additional ones to make them viable, but this one was still on the waiting list. They apparently had an expansion program and they will be looked at another time.

**Ms. Wasylycia-Leis:** Just to seek clarification, it was my understanding that this centre was seeking a couple

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of additional spaces to ensure financial viability and that that had been recognized previously. Has there been a change in status with respect to that original classification?

**Mrs. Oleson:** We can get the Member an answer later. We would have to do some checking.

**Ms. Wasylycia-Leis:** Similarly, I believe the St. Vital Day Care Co-op had been promised a couple of spaces to ensure financial viability. I do not believe I see that one on the list either. Is there an explanation?

**Mrs. Oleson:** Maybe the Member could indicate where she got her information. If she does not want to on the record, maybe later, because we do not have a record of them on the waiting list requiring extra spaces.

**Ms. Wasylycia-Leis:** Certainly, I would be happy to indicate to the Minister that this is information based on the previous Government's involvement with respect to day care. This is from a list of day cares that needed additional spaces to ensure financial viability. It was with some concern that I saw that some of them were not on this list that the Minister has tabled with us today. I am just wondering if there has been a change in policy or a change in the day care circumstances.

**Mrs. Oleson:** It is indicated to me that they did not request the spaces. The staff have checked and there may be one, you know, in the daily routine of working in the day care office. They had checked and thought that perhaps that one may in the future, but they have not applied for extra spaces.

**Ms. Wasylycia-Leis:** Running through a few more in a similar situation very quickly: Kinder Korner in Steinbach, Southwest Day Care in Brandon, University of Winnipeg Students' Association, the Rainbow Day Nursery.

**Mrs. Oleson:** Southwest got two spaces, as per the list that I circulated earlier; Southwest Co-op Inc. in Brandon; UWSA, I believe, is another one. The staff may have indicated that it was one that would potentially be requesting spaces, but none have been applied for.

**Ms. Wasylycia-Leis:** Rainbow Day Nursery.

**Mrs. Oleson:** It is going to be a similar situation with Rainbow. It is not on our list of applications for spaces.

\* (1510)

**Ms. Wasylycia-Leis:** And Kinder Korner in Steinbach?

**Mrs. Oleson:** It also does not appear on our waiting list, so it would be a similar circumstance with it.

**Ms. Wasylycia-Leis:** With respect to some centres of a more significant requirement on the part of the province who had, I believe, previously been informed of funding, I have questions pertaining to Action Centre Day Nursery, Assiniboine Kiddie College, and Ma Mawi Wi Chi Itata.

**Mrs. Oleson:** Action Centre has not developed its infant spaces yet so we cannot consider it until they are ready to fill the spaces. Ma Mawi Wi has not got its space identified yet. They have been working on the project for, I understand, a couple of years and they have not identified the space. What was the other one you asked about?

**Ms. Wasylycia-Leis:** Assiniboine Kiddie College in Brandon.

**Mrs. Oleson:** That is the centre in the Community College. They are not on the waiting list either.

**Ms. Wasylycia-Leis:** I can appreciate the fact that certainly, in the case of Action Centre and Ma Mawi Wi Chi Itata, they are not in the final stages of establishing their new day cares, but in order to take it the next step they will need the assistance of the province in one way or another and some indication of commitment, particularly with respect to Action Centre Day Nursery as it is an infant centre expansion. What is being done to ensure that this day care space is developed as quickly as possible and what efforts are being undertaken to ensure that the long waiting lists for infant day care are being dealt with, are being responded to by the province, specifically with a case like Action Centre Day Nursery but more generally with respect to the situation facing families everywhere.

**Mrs. Oleson:** The Action Centre, which the Member was just mentioning, are in the process of getting their capital funding together and they will be considered next year. All these will be considered for next year's spacing. We have, as the Member has indicated, a waiting list and they will be under consideration when we are allocating spaces next year.

**Ms. Wasylycia-Leis:** If I could ask about one other grouping of day cares or the request before the department, some of which I know are certainly up and ready and simply waiting for some authorization from the province. Forgive me if I have repeated any that are on the list already. I will run through the list quickly and you could perhaps give me a status report on each one:

Lord Roberts Day Care, Laura Secord Community Child Care, Anne Ross Day Nursery, Provincial Employees Care for Kids, which I think we have been over and over, The West Broadway Children's Centre, The Red River Community College day care and Parent Child Centres, which I believe has been touched on previously by the Member for Ellice (Ms. Gray).

**Mrs. Oleson:** Would it be acceptable to the Member that instead of taking up the time of the committee, we could send her a status report on those later? We have the information but it would take a while to go over it all for each one. We could send the Member the information.

**Ms. Wasylycia-Leis:** I would certainly appreciate receiving the details with respect to each of those day cares. There are some, I know, that have been waiting

for provincial approval for some time and I do not believe there are any factors standing in the way of that, other than perhaps an insufficient number of dollars based on this new policy, insufficient allocation of spaces for such centres, and I think specifically of—I will give the Minister one specific example, or two.

The Anne Ross Day Nursery is a very good example of a day care that has been waiting for expansion for some time. It has the physical capacity to expand. Certainly, I regret it never received the funding while we were in Government but I know that it was on the list to receive funding as soon as possible. It should have been possible this year if it were not for the change in policy on the part of the Conservative Government.

Can the Minister explain how she can move in a direction of uncertainty with respect to these flexible subsidies, these floating subsidies, and yet not fund 15 spaces at the Anne Ross Day Nursery which is geared toward meeting the special needs of inner city kids, and which would meet precisely those objectives of flexibility and meeting the full range of day care needs by going this route? Is there some explanation?

**Mrs. Oleson:** I have undertaken to give the Member a status report on those, but with regard to the Anne Ross centre, I understand it has been requesting for three years so I am wondering why the Member was not mentioning this in Estimates for the last three years.

**Ms. Wasylycia-Leis:** As I just said, it is certainly a regret of mine that this centre was not funded previously

**Mrs. Oleson:** Mine, too; mine, too.

**Ms. Wasylycia-Leis:** However, it certainly was part of the plans for this fiscal year, had this most unfortunate election not taken place. It would have received the benefits of this major increase in the Budget that this Minister is so often wont to claim as her own Government's initiative and boast about that increase.

Given that the increase is the same, given that the plans were to respond to such non-profit day care centres that met the whole range of day care needs in the province and that would have gone some distance to meeting the objectives of flexibility in a concrete way, not in an uncertain fashion as is being proposed by the Minister's new policy, why is it being excluded? Why are 15 spaces in the Anne Ross Day Nursery being excluded from the list of approvals this year, given the fact that we are talking about the same kind of increase with respect to the two Budgets?

\* (1520)

**Mrs. Oleson:** I have undertaken to give the Member a report on that. Anne Ross, particularly, is listed on the listing of day care spaces to be considered for next year. It is unfortunate that we cannot meet all the needs. I think the Member should realize that there is a limitation, unfortunately. It will be under consideration at another time. I will forward to the Member the status and the reasons for what she had requested before on the information on status of those centres.

**Ms. Wasylycia-Leis:** However, on this one, I am requesting something more immediate from the Minister, today if possible, with respect to why that centre and any of these other centres I have listed that are obviously ready to go, have been waiting for funding, have been lead to believe that there is a good chance that they will be eligible for funding this fiscal year and yet are not on the Minister's list simply because of this change in policy which has seen a good chunk of the money available for expansion of non-profit centres diverted, redirected into uncharted waters, into uncertain directions.

Could the Minister explain why she would not first meet the request before her from the non-profit child care community from centres that have been waiting for some time and from committed organizations who see a need that must be met and that will result into, with the will of the provincial Government and the funds behind it, immediate benefit to a variety of communities and ensure the flexibility that she is talking about?

**Mrs. Oleson:** I have indicated before that we will send the Member the information. We know and she should know that we cannot meet all the needs that are considered. They will be considered for funding. There are many, many on the waiting list, and I am sure they are just as deserving as the Anne Ross centre. They will all be considered when the funds are available. It could happen that maybe some spaces are not quite ready to go this year and there may be able to be some reallocation of funds. That sometimes happens. As I said before, we will consider that particular centre along with others for funding another year.

**Ms. Wasylycia-Leis:** Could the Minister give us some assurances today that if indeed there are centres up and ready to go from the non-profit community who have been waiting for some time and under some expectation that they would receive funding this fiscal year, if she finds that is the case in doing her research on each of these centres, would she give us a commitment today that she will direct money from those 500 floating subsidies to meet the needs of these centres which would only be, I would guess, less than a couple hundred spaces?

Would she, in the interest of ensuring that real needs are met in concrete, immediate ways, will she divert funds from those 500 floating subsidies to respond to the less than 200 spaces from centres waiting for some time to be funded?

**Mrs. Oleson:** I think the Member has said it herself. They have been waiting for some time. We will be monitoring the take-up of funds in all the areas with a first basis. We will try to make the best use of the funds available. If we discover in some area that there is not as much take-up, we will be able to shift it around. We will make the best use possible of the funds that we have available.

**Ms. Wasylycia-Leis:** Could the Minister give us some explanation why it would not make sense to take a little bit of that money as set aside for these 500 so-called floating subsidies to, as she put it, to private



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centres and use that money to meet some very specific needs from groups, from day care centres, that have been patiently waiting for some time. I do not think it is in anybody's best interests to pass blame. I am certainly not here to do that today. I am simply, in the interests of these day cares, wondering if, for the few dollars we are talking about, the little bit of shift in her policy that it would take to ensure that these day cares that are up and ready to go, either new day cares or day cares waiting to expand, could not be guaranteed funding for this fiscal year.

**Mrs. Oleson:** The Member should remember that in the announcements I made there are 420 new spaces that have been allocated, so it is not as if we are not funding any spaces this year. I have indicated several times this afternoon that all these other centres will be under consideration for funding as soon as we possibly can.

**Ms. Wasylycia-Leis:** Yes, I understand, in the figures that the Minister gave us on Thursday last that we are talking about 420 new spaces, all of which are not clearly earmarked for centres or spaces. In the scheme of things, either by way of lack of uptake with those 420 spaces or from these 500 floating subsidies, could she simply give us a commitment today that those centres not on her list that she has tabled, that are waiting, that are ready to go and waiting for Government funds, will get that assurance for this fiscal year?

**Mrs. Oleson:** The Member is being a little unrealistic. I have indicated that as soon as possible we will fund as many of these spaces as we possibly can. It would be unrealistic to say that we could take the whole waiting list and fund them this fiscal year. I think the Member should reconsider her statement because that would be impossible. We have funding limitations. We have allocated a very generous budget to child care. It may not be as much as everyone would like. We would all like to see more spaces funded, but that is the allocation we have. We are going to make the best possible use of it we can, and these people who are on the waiting list who have been there for some time, some of them, and were not funded by the previous Government, we will get them into the stream as soon as we possibly can. That is the commitment that I am making.

**Ms. Wasylycia-Leis:** Can I take it from that lack of commitment on the part of the Minister then that she is more prepared to see funds from her department, taxpayers' money, diverted to day care centres that are internationally owned or American owned, with the obvious result being that some of this money is diverted south of the border than to see that money go into helping 15 kids in the North End whose lives are precarious, to say the least, and who are certainly in dire straits for good quality non-profit care. Is that the Minister's priority?

**Mrs. Oleson:** Again the Member is missing the point. These are children; these are Canadian children. We are not funding American children. We are subsidizing low income Canadian Manitoba families. I hope that is the last time I have to explain that to the Member.

**Ms. Wasylycia-Leis:** Does that mean the Minister will ensure that no funds are directed for day care spaces, for subsidized spaces going to any profit-oriented, particularly American-owned day care chain?

**Mrs. Oleson:** One more time: the subsidies are going to the families who have children, low income families. The subsidies are on behalf of children. These children are Manitoba children who are going to day care centres in Manitoba. The funding is not going directly to these organizations, in essence, it is going to them on behalf of children. I will say again: children of low income families who need a subsidy, who, if they apply for the subsidy in the same way that other subsidies are applied for, they are paid out in the same way. No changes have taken place in that regard. These centres have to be licensed, regulated under our Manitoba laws and these children are Manitobans.

**Ms. Wasylycia-Leis:** Is the Minister then saying if 15 parents who would like to receive subsidies to send their children to the Anne Ross Day Nursery apply for those funds that she will both ensure that the subsidy goes with those parents to the Anne Ross Day Nursery and ensure that the additional maintenance grants and salary enhancement grants are forthcoming for that day nursery?

**Mrs. Oleson:** The priority with this is using existing spaces.

**Ms. Wasylycia-Leis:** The Minister is in effect reverting back to what she said originally and that was clearly said in black and white in the House and in Estimates that this proposal, this new policy direction, would meet the needs and the concerns coming from a number of private for profit child care centres about vacancies they may have at the moment and about their own viability and profitability.

\* (1530)

**Mrs. Oleson:** The Member should be aware that there are 30 spaces in the Anne Ross centre, that is what she is referring to, and subsidies are available for those children. There are already 30 spaces there, there are subsidies available. If she wants to clarify her question—she is shaking her head—whether she does not like the answer or maybe I am answering the wrong question, but maybe some clarification would help.

**Ms. Wasylycia-Leis:** Basically, my question is of a much more general nature than that. Without a doubt, we know that there is a great need in the community surrounding the Anne Ross Day Nursery. We know that there is a long waiting list. I think that the Minister is aware that there is a long waiting list. We know that the subsidizing of 15 spaces or the sponsorship of these 15 additional spaces at the Anne Ross Day Nursery will go a little distance toward meeting the needs of a hard-pressed community.

My question to the Minister: is she prepared to deny that community and that day nursery the ability to respond to the needs in that community in favour of

funding existing vacant spaces without any certainty that those spaces will be filled or utilized by subsidized parents?

**Mrs. Oleson:** I have said before I am aware that there is a problem in that particular neighbourhood. They need more spaces and I have indicated to the Member that we will certainly be considering it for next year's funding. I am sure that in the 30 spaces that already exist there, there will be subsidized children. We will work on trying to get those other spaces funded for next year.

**Ms. Wasylcia-Leis:** I am getting a little frustrated. I am offering the Minister a way to save some face in terms of this most illogical proposal, to me certainly. That is to come up with the will to redirect resources to meet a few spaces, less than 200 spaces no doubt, in centres where there is a clear need and a clear ability to begin immediately to provide that day care service and still move ahead with her experimental project of this floating subsidy. She said today, and has said before, she does not know if it will work, does not know if it is going to meet any need.

Here is a chance for the Minister to try to not back off completely from what appears to be an illogical proposal, but still meet the needs of the communities. What is stopping the Minister from responding to the funding of less than a couple of hundred spaces that are waiting and needy in order to proceed with this magical number of 500?

**Mrs. Oleson:** I have told the Member that we certainly would and I am sure the previous Minister reallocated within the whole space funding. If there was not take-up in one area, then it was moved to another. I have told the Member I would do that. I cannot tell the Member that I will inject millions more dollars or thousands more dollars into it. This is this year's budget. Those are the allocations that I have listed to her, handed her out in a spirit of cooperation, handing out information. Those are the spaces that are being allocated. If for some reason those spaces are not able to be utilized by the places they are allocated to, then we can reallocate funds.

I have indicated that we will, as soon as possible, fund these other spaces besides the Anne Ross centre. There are many, many needs in the community, in all communities. We are doing our best to try to meet those needs. We fall short, of course, of meeting every need and that is reality.

**Ms. Wasylcia-Leis:** The Minister insists, whenever we get into this discussion, that this policy is not one of responding to a certain segment of the day care economy or the day care segment of our society, but rather that it is a subsidy that goes with the child. Could she explain exactly how it will work in terms of achieving the objective that she is talking about?

On Thursday, the Minister mentioned that the parent applies. Today, she is saying it is going to existing spaces in existing centres. Now, who is going to benefit exactly? How will it get allocated? How are you going to spread around 500 spaces?

**Mrs. Oleson:** If the Member will refer to the sheet that I handed out today, at the bottom of it, it says: "Flexible day care subsidies at private centres and homes, 500 spaces allocated to 25 percent of each centre's or home's licensed capacity." They would not be able to get any more than that.

I have indicated on several occasions that the parent, as in the case of a parent in a public centre, the parent would apply, the same criteria will be used as to income. The subsidy will be approved or disapproved as the case may be depending on the circumstances. Then the funds will be paid on behalf of the parent to the centre upon receipt of attendance records and other information in exactly the same way as the public centres are funded.

I think the Member would probably be the first to complain that it was a great deal of extra work and administrative paperwork if we were to pay each subsidy to the parent. I think it is a far more administratively efficient way to pay it directly to the centre, but it is paid on behalf of the child in the same way as it is paid to the other centres.

**Ms. Wasylcia-Leis:** Mr. Chairperson, I am not questioning the original way or the current way in which subsidies are paid for. I am simply questioning the public policy behind the decision to allocate Government funds in this way. The Minister has said time and time again it is a subsidy to go with the parent. However, from time to time, she will also indicate that it is a subsidy to go to private centres.

If she thinks that there is some confusion out here about her policy, it is because of her own description of this policy that is causing the confusion. I remind her of the number of times she has talked about this program being one where the subsidy will now go to the private centre, that this has been a major breakthrough in order to meet the needs of private, for-profit child care centres. The Minister is shaking her head right now and whenever I do mention the fact. These are her words, not mine.

I would ask her, therefore, if that is not the case, why it would be in a letter from Mini Skool to parents of that day care, why they would say shortly before the election outcome of this year the following words: "I am encouraged that future political changes may see some Government funding available to private child care centres, therefore, stabilizing parent fees."

**Mrs. Oleson:** Those were the words of the Mini Skool organization, not mine.

\* (1540)

**Ms. Wasylcia-Leis:** But they are no doubt pleased with the Minister's decision?

**Mrs. Oleson:** They are pleased, as the parents of children are, that there is more flexibility in the system, that parents who live in the neighbourhood where there is a privately owned, independent day care centre, are able to take the children there and get a subsidy.

As I have said before, the Member and I will never agree on this issue. It is an issue which she does not

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agree on. She says we are departing into brand new uncharted waters. I have reminded her on several occasions that we are not, that other provinces also have this similar system of subsidies to children. As I have indicated on many occasions, the Member and I can debate this for a long time, but philosophically we are not going to agree on it. So I think we should both accept that.

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

**Ms. Wasylycia-Leis:** Can the Minister assure us today that no day care will be allowed to charge more than the set subsidized rate by the province if they are eligible for floating subsidies?

**Mrs. Oleson:** The subsidy plus the extra dollar, they will be allowed to charge the subsidized children.

**Ms. Wasylycia-Leis:** Is the Minister at all concerned about the fact that this is the first time a two-tier system or a two-class system will be established in the Province of Manitoba?

**Mrs. Oleson:** The objective of this, as I have indicated many times before, is to provide flexibility to parents and to provide flexibility in the system. We feel there is certainly room for public child care. There is also room for people who operate as their business a child care centre.

**Ms. Wasylycia-Leis:** The Minister is not concerned about being the first to establish a two-tier system, a two-class system, a break from a move towards a universal child care system?

**Mrs. Oleson:** Actually what this is, it is an extension of a program that was already in place. There were 235 allocations of subsidy to private centres and this is an extension actually of that.

**Ms. Wasylycia-Leis:** Again, I do not think we need to go over old history but I will again put on the record the fact that was a grandparented arrangement. In recent history, no attempt has been made to move this province towards a two-tier system. In fact, this will be the first such time in the recent history of the Province of Manitoba that Government funds have been used to set up a two-tier system of day care. Is the Minister satisfied with being a pioneer in that regard?

**Mrs. Oleson:** I do not consider myself a pioneer. It is already a system that is in place in other places. I do not consider that I am pioneering child care.

**Ms. Wasylycia-Leis:** Let me just put the question once more in a more direct way. The Minister is not concerned at all about moving the day care system, now known to be among the best in North America because of its universal accessibility and its high standards of quality, toward a system of Government funds directed to a day care system where quality is not always guaranteed by virtue of the fact that these centres, to which the Minister is now listening and catering, will have to make a profit or they would not be in the business, and where

Government funds are directed to the establishment of two sets of fees, to at least two different levels of fees in one particular centre, moving sharply away from any notion of a universal accessible high quality system. The Minister has no regrets and no concerns in that regard?

**Mrs. Oleson:** As I have indicated before, we are interested, I am interested and Members of my Government are interested in flexible, quality affordable child care. We have introduced more flexibility into the system to make it affordable for people who before this were denied subsidies in some centres.

The Member, I believe, is doing a disservice to the regulations, guidelines and the rules that are in place if she thinks that we are not going to have quality child care. Under the licensing and the regulations in this province, the standards have to be met. They would not be getting a licence if those standards are not met. The same standards are in place. The same licensing procedures are in place. The same methods of applying for and receiving subsidies are in place. I think the Member will be pleasantly surprised in the future when she sees that the system will work.

**Ms. Wasylycia-Leis:** I do not think we need to go over the ground covered last Thursday about quality in day care when in fact the Minister has indicated then that she is not aware of the research in the field, has not taken the time to brief herself on the data available that will clearly indicate to her if she had taken the time that commercial care has significantly greater problems in achieving and maintaining high quality care than non-commercial child care. There are other factors that the Minister may want to consider. Once we are through Estimates, in rethinking her policy, let me ask her specifically if she has had a chance to come back with any further review of a comparison of licensing orders with respect to commercial spaces and non-profit spaces?

**Mrs. Oleson:** The Member was asking about licensing orders. In 1986-87, there were five in homes, three in commercial centres, and one in non-profit centres. In 1987-88, two in homes, one in commercial centres, and one in non-profit centres.

\* (1550)

**Hon. Harold Neufeld (Minister of Energy and Mines):** We seem to be in a philosophical discussion on whether private day care or public day care is the answer to our day care system. I think we should be more concerned about the welfare of the child. If indeed the private day care system does not provide the care that the Member for St. Johns (Ms. Wasylycia-Leis) thinks it should and indeed the public day care system provides better care, the answer in the marketplace or the marketplace will answer very quickly and the private day care system companies will not exist. I cannot see her concern if she believes indeed that the private day care system is not as good as the public day care system.

**Ms. Wasylycia-Leis:** I can see that we are headed down the road towards a real threat in all areas of our

social policy, but that is the mentality that this Government is bringing to basic questions such as child care. I am wondering—this is not a question, but a rhetorical question—if the same kind of philosophy and approach is applied to our universal health care system and our public education system and so on, and related to that—my question is certainly to this Minister—why this Government believes that it can take such a different approach with children between the ages of zero and six as compared to six and beyond. What is it about the child's development that encourages this Government to make such a sharp break in policy and accept profit services, services provided by private, for-profit enterprises, among younger children and I believe, at least to date, not endorse that fully for beyond the age of six, unless of course it is the policy of this Government to support, and they are just not fully aware of it yet, the provision and delivery of education, move in the direction of private, for-profit delivery of education.

**Mrs. Oleson:** As with child care, some people choose to send their child to one particular centre. Some people choose to stay home and look after their children. Some people choose to send their child to a public school, some to a private school. Parental choice is very important here. People need to have some flexibility and some choice of where they educate their children, where they have their children cared for. To attempt to meet the needs of families, we need to give them some choice.

**Ms. Wasylycia-Leis:** Not to debate this much longer, but obviously we are not talking about individual choice and parental choice and so on. We are talking about what is the best use of taxpayers' money, of Government funds. I think what we are seeing today is a sharp move away from both the questions of Government funds being directed towards non-profit, public, cooperative efforts, and a Government that is prepared to risk quality of care and quality of education, quality of health care, quality of services for seniors in order to see whether or not the marketplace can do its job and can still provide that level of care and make a profit.

Let me quickly ask a couple more questions, not to go over old ground, but simply to ask if the Minister—we have now heard from the Minister about her understanding of the research in the field and the fact that she is not aware of all of the studies, which almost unanimously indicate higher quality care in the non-profit sector than the commercial sector. We have been given the evidence from the Minister which shows that there have been more licensing orders consistently issued to commercial spaces than to non-profit spaces. The data presented by the Minister, I think, clearly indicates that.

Would the Minister now indicate whether or not she is aware and has she taken into account the fact that commercial centres will not meet the training requirements with respect to qualified directors and staff nearly to the extent that is being met in the non-profit sector? Is she happy with directing Government funds to centres with this floating subsidy concept, to centres where there are clearly major discrepancies in

terms of qualifications and training of staff and directors?

**Mrs. Oleson:** I would remind the Member that all the centres are under the same licensing, the same regulations. I would also remind the Member that many of the studies she refers to were not taking into account the Manitoba regulations and licensing requirements. They were done on other areas and did not take that into account. If the studies had been done based on Manitoba guidelines or so, they may have been fairly different.

**Ms. Wasylycia-Leis:** I will remind the Minister that the studies included some national analysis of national data which would cover Manitoba, which would reflect the views of Manitobans, which would reflect the quality of care generally. I also asked her if she was prepared to direct the task force to embark upon some original research, and she would not make that commitment.

With respect to my last question on training requirements, this is not a question, I remind the Minister, of strictly meeting standards. This is a question of guidelines set by the provincial Government to ensure qualified directors and staff by a certain period, October I believe of this year. The fact of the matter is that private centres, commercial centres are much less likely to have met the retraining requirements and the qualifications set by the province than non-profit centres. Is the Minister still prepared to embark upon this new policy direction of Government funds, taxpayers' money going in the direction of centres where there has been much less of a commitment, much less of an interest in training requirements and qualified directors?

**Mrs. Oleson:** The centres are under the same guidelines to acquire the training before the deadline as the public centres are.

**Mr. Neufeld:** I have a few questions for the Minister. It is my understanding that a private day care centre receives no basic subsidy and the subsidy will go with the child if the parent qualifies. That is an income qualification, to my understanding.

In a public day care centre, is there a basic subsidy for each child regardless of whether or not the parent qualifies or does not qualify for the subsidy? Is there a capital subsidy for—my understanding is there is approximately \$10 per child in a public day care centre that the public of course pays for each and every child, whether or not the parent qualifies for subsidy. So no matter how rich, in a public day care centre, the parent, each child gets a \$10 subsidy per day. Is that correct?

**Mrs. Oleson:** The Member is correct in his assumption. Whether it is private or public, the subsidy goes on behalf of the child to do with the income of the family. But with the private centres, there is no maintenance grant, no salary enhancement grant. That only goes to the public centres.

**Mr. Neufeld:** So I am correct then that in the case of a private centre, the public purse pays less per child

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than in the public day care centre? We have to assume that the care is identical because there is some supervision on care, is there not?

**Mrs. Oleson:** Yes, that is the case.

\* (1600)

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

**Ms. Wasylycia-Leis:** No. Every time we have an interjection, it just causes some more questions to come to mind. So I have a few more questions.

I wish the Minister responsible for Seniors (Mr. Neufeld) had been here on Thursday when we covered a lot of this territory in terms of what objective research and empirical analysis says about quality in commercial day care versus non-profit day care. I would also recommend to him that he consider perusing Hansard of last Thursday, and I certainly have copies of all of these various studies with objective data and empirical evidence to lead everyone in the field to say that there is generally—and this comes from parents as well, it was going to be my next question to the Minister—concern, more often from commercial day cares about standards and about care and about programs, than there is with respect to non-profit day care centres, or parents from day care centres. I think the Minister should know, and will know from staff, that I am sure that it is the case, that there are significantly more complaints from parents concerned about commercial care than non-profit care.

Is that not enough of a basis for causing the Minister to be a little more cautious about this new approach of subsidies to private centres? Is not the fact that there seems to be much more of a concern coming from parents who are forced to choose private commercial day care, is that a concern to the Minister in terms of this policy, and how will she be handling that in the future?

**Mrs. Oleson:** We will be monitoring it, of course, to be sure that all the centres, whether publicly or privately owned, are providing the quality service that we require. The day care office assures me that they follow up on every complaint. They go to the centre within two days of receiving a complaint. They then follow up with a written review of the complaint and make sure that any changes they have asked for are complied with. Now, I am referring to both independent and public centres. All complaints are treated with the utmost seriousness and they are acted upon immediately.

**Ms. Wasylycia-Leis:** The Minister has indicated on a number of occasions that she believes strongly in creating choice, choice for parents and obviously choice for their children. Can the Minister indicate if she concurs with her colleague's remarks, the Member for River East's (Mrs. Mitchelson) remarks in the North Times when that Minister suggested that people who earn more than the income level making them eligible for a subsidy, should actually resort to private day care, should be using private day care? Does the Minister support her colleague's comments?

**Mrs. Oleson:** I have indicated on many occasions that we want to provide choice to parents, and many of them will choose private day care. Many of them will choose public day care. That is up to them. I think the Member forgets that the taxpayers who pay bills for these centres and pay bills for all our social services would like to have choice in how their funds are spent, and this is but one aspect of that. But if parents wish to choose a private centre, for whatever reason, that is fine. If they wish to choose a public centre, as long as one is accessible and I do not think we would—we want to provide, as I have indicated before, quality, affordable child care for the people who need it. We cannot meet every need, as we have talked about before, but if we did not have any of those commercial centres providing care, the public purse would be in even worse shape than it is.

**Ms. Wasylycia-Leis:** The Minister did not hear my question. My question was, did she agree with her colleague's remarks which indicate clearly that parents earning over a certain income level should not have choice and should be in fact be required to send their children to private day care.

**Mrs. Oleson:** I indicated no. It was not a policy. It was the expressed opinion of one Member.

**Ms. Wasylycia-Leis:** The Minister is disassociating herself from the comments made by the Minister of Culture (Mrs. Mitchelson)?

**Mrs. Oleson:** Not really. She is quite entitled to make them, but we are not going to force people to go to private centres, if that is what the Member is trying to get me to say. There are not enough spaces and the Member would be up here complaining and carrying on about that, if I were to be making that policy.

**Ms. Wasylycia-Leis:** Is the Minister not concerned at all about a Member of her own Cabinet or a Member from her own colleagues suggesting that anyone making over the minimal required for eligibility for subsidy should not be taking advantage of Government funded non-profit child care spaces? Because of this misconception that the Minister of Energy and Mines (Mr. Neufeld) has just shown, he is bearing this same misconception about this incredible cost being borne by taxpayers and showing a complete lack of faith and understanding about the non-profit sector and about Government's involvement in funding of day care. Is the Minister not concerned about one from among her group who is prepared to make that kind of public comment?

**Mrs. Oleson:** I do not know in what context the Member for River East (Mrs. Mitchelson) said that. I do not know at what occasion or what prompted that, or whether it was reportedly correctly. If the Member is indicating it was reported in the newspaper, there have been on rare occasions mistakes made in newspapers of reporting.

**Mr. Neufeld:** I can state quite categorically and I know my point is supported by many taxpayers out there

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indeed and by many taxpayers within my own constituency that, if a person makes more money over a certain minimum amount, they should not be subsidized and, in a public day care system, they are subsidized. One of my constituents told me: we have three children; my husband makes just enough for us to get along, and it upsets me no end that I choose to stay home to look after my own children and people out there decide they both want to work, two workers in a family, and my tax dollars are supporting their lifestyles, their trips to the South, their cottages at the lake, their two cars. I totally agree with that sentiment.

\* (1610)

**Ms. Wasylycia-Leis:** Well I think we now have it on the record exactly the sentiment expressed by the Minister of Culture (Mrs. Mitchelson) in the North Times of October 5, 1988, a fairly antiquated and insensitive, regressive right-wing approach to the provision of child care in this province.

My question now to the Minister even more than ever, is this the policy of this Government? Is this her policy? Is this the direction that she is moving the day care system in? Is this the path that she is taking this province down?

**Mrs. Oleson:** The Member will note from previous discussions that the only change in policy with regard to child care has been the flexible subsidies.

**Ms. Wasylycia-Leis:** Mr. Chairperson, I just have a couple of more questions before I pass it back to the Member for Ellice (Ms. Gray). Can the Minister give us assurances that she is not pursuing a change in the legislation, in particular Section 31 of the day care legislation, to make it possible for salary enhancement and maintenance grants to go towards private-for-profit day care?

**Mrs. Oleson:** I will remind the Member that the Day Care Task Force is looking at all these issues. At the moment, I have no plans to change any legislation but I will wait until the report and recommendations by the task force to see what they may recommend in that regard. Then I would have to make a decision on whether or not I follow those recommendations.

**Ms. Wasylycia-Leis:** Could the Minister outline for us what plans she is undertaking currently to deal with concerns expressed by the staff, directors and parents of non-profit day care centres about inadequate plans for enhancing salaries and for increased maintenance grants?

**Mrs. Oleson:** The Member will recall that the salary enhancement grants were increased this year at the same level as what they had been last year. The Member will also be aware that already work is being done on preparation of budgeting for next year. All these things will be considered when we are considering our next year's budgeting.

**Ms. Wasylycia-Leis:** Is the Minister operating under a long-term plan for dealing with the question of

inadequate salaries of day care professionals, any targets that she has set for herself and is hoping to meet both next year and the year after, or the year after, or the year after?

**Mrs. Oleson:** That is one my goals is to establish some sort of plan. It strikes me more and more in this department that lack of planning is the reason why we are in some of the great difficulties that we are in now, not only in this area but in most of the areas of the department. Long-term plans are something that are a goal of mine. Whether they are achievable or not in this tenuous hold we have on Government is something else. That is one of the things that I think is very important to do is to plan for the future and let people know your direction. If you cannot give them the total funding they require this year, at least they will see that down the road there will be some improvement. There is some plan of action. We are working on that and, hopefully, we can achieve some sort of a long-term plan.

**Ms. Wasylycia-Leis:** What are the Minister's plans for dealing with any non-profit day care centres that may be forced to come in with a deficit this year?

**Mrs. Oleson:** It is indicated to me that there are none that are really facing anything major now, but the department will work with anyone that has financial difficulties to see what can be done to alleviate that.

**Ms. Wasylycia-Leis:** Is the Minister giving us some assurances that she will pick up the deficits of any non-profit centre?

**Mrs. Oleson:** I cannot give the Member that assurance because I have not got in front of me any particular case or reason. It would be rather foolish to say, oh, yes, I would pick up any deficit. I cannot write blank cheques for any of the areas in my department.

**Ms. Wasylycia-Leis:** I am just simply trying to get a sense from the Minister about how she is planning to deal with problems that appear to be looming on the horizon that were expressed by the hundreds of letters and petitions signed by day care workers and parents and directors and so on about keeping up with the costs of running a good quality child care, given the current budgetary priorities. Does she have any handle on that long-term question? What are her plans? How will she deal with day cares if and when they incur difficulties in terms of keeping up with costs, in terms of providing and continuing to provide the kind of quality day care that many of us believe is so important?

**Mrs. Oleson:** All of us believe it is important.

The letters that the Member referred to mainly dealt with salary. Most of the letters at least I received dealt with salary. The same salary enhancement grant was given as it was last year. I have not had an indication from any centre that their viability is definitely in question. We certainly will monitor that carefully to make sure that they are all operating in the best way possible. But as I indicated before, I am not in the business of handing out blank cheques.

**Ms. Wasylycia-Leis:** It is my understanding that the concerns expressed by all of those day care workers, professionals, parents, users, board members, and members of the Manitoba Child Care Association were not simply focused in on better salaries for professionals, although that is certainly one big concern and very much related to the question of continued quality care, but we are also concerned about an ability to maintain high standards and good quality given the current situation with respect to maintenance grants, given their sense that money is being diverted into unknown directions, into questionable directions.

So my question is still one of what assurances can this Minister give to all of those committed day care providers and community activists that the non-profit child care community and service will not be allowed to suffer, will not go through any kind of a set back.

\* (1620)

**Mrs. Oleson:** One of the indications that I am aware of this and wanting to get information and feedback on this whole problem, I do recognize it is a problem, and that was one of the reasons a task force was set up and they will be reporting on what direction we should go in regard to financing and how it should be achieved. Certainly we know that there are difficulties. Some areas, however, of my department are looking at the day care part of the department in saying they would like to be able to be funded as well. Then the day care part is saying they are not well funded. There are a lot of problems. I imagine and I know they were drawn to the attention of the previous Government over and over again as well.

**Ms. Wasylycia-Leis:** To try once more to raise this issue and get some assurances from the Minister, my question is, given the concerns being expressed by those most familiar with this field, those providing quality day care in the non-profit sector, given the sentiments expressed by some of her colleagues, most recently put on the record by her colleague, the Minister responsible for Seniors (Mr. Neufeld), given that lack of commitment to a universal high quality child care system, given the fact that this Government to date has shown no reservations about moving in the directions of a two-tier system of possibly segregated day care system, given all of the signals provided by the Minister and, more critically, by the frankness and bluntness of some of her colleagues, what assurances can this Minister give that no matter what previous election commitments have been made and no matter what ties exist between this Government and a few independent operators, the non-profit day care service and community will not undergo a setback, will not suffer any deterioration in terms of quality and the funding that is required to ensure that quality is maintained and enhanced?

**Mrs. Oleson:** The Member should just particularly note this year's budget. There has been a huge increase, \$7 million is to me a huge commitment. That is \$7 million extra, so I think that should assure the Member that this Government intends to follow along with day care, the provision of quality, affordable day care in

this province. I do not know what I could say that would assure this Member because she is not easily assured, shall we say.

This year's budget should be a good example. We are working, as I told the Member before, we have a task force working on day care. That is a commitment. I also told the Member that we will immediately begin working on next year's budget to provide funding for everything in the department, but one of the things of course will be day care. I do not think there is anything I could say that would really assure this Member who really has it fixed steadily in her mind that Tory Governments do not care about day care. I think the commitment we have made this year clearly indicates we have a commitment to day care, and we will continue that commitment.

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation):** Could I just ask a couple of questions? Firstly, and if you can just clarify for me, and you may have gone over this before, but in day care, how much does it cost someone to put their child in a non-profit day care space? What is the cost to the parent?

**Mrs. Oleson:** \$13.80 for a preschool child.

**Mrs. Mitchelson:** \$13.80. All right now, how much does it cost for that day care space? I am talking about the salary enhancements and all of the different grants that are received by the non-profit day care centres. If we add that total amount up of every dollar that goes into the day care system by Government, how much does it cost for that space?

**Mrs. Oleson:** \$19.42.

**Mrs. Mitchelson:** So that is \$19.42.

**Mrs. Oleson:** That is maximum.

**Mrs. Mitchelson:** So that is maximum, \$19.42. So that would be the most that it would cost to keep . . . .

**Mrs. Oleson:** I will give the Member the rundown of the expenses that go into that. First of all, there is a parent fee of \$12.80 and an additional fee paid by the parent of \$1; a maintenance grant of \$3.72; audit grant, 10 cents—this is all broken down as to space—salary enhancement grant, maximum of \$1.80. That would give a total of \$19.42. That is two to six years old.

**Ms. Mitchelson:** Two to six years old. Now does the Government put any more money into the non-profit day care space in any other way? Do you pay for buildings or is there overhead? What is the total cost? I guess that is the question, I am asking.

**Mrs. Oleson:** There are additional funds put in through the Education Department where we have, as the Member may know, centres in schools. Also through the Member's own department, through Community Places, there have been over the years grants to the renovations and other work involved with day care centres.

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**Mrs. Mitchelson:** So it could be in some instances a little more than \$19.42? The parent pays \$13.80, and the taxpayers of Manitoba pay the rest to keep a child in that day care space?

**Mrs. Oleson:** That is correct.

**Mrs. Mitchelson:** Now I guess my question to the Minister or my comments to the Minister are, when you have parents who are out working for profit and when you have people who have children in day care spaces, some of them are out there working mainly for profit because there is not a definite need for both parents, in some instances, to work, but some children are in child care spaces because their parents want to be out there working. It is for the extra things that they want.

**Mrs. Oleson:** Who would determine that?

**Mrs. Mitchelson:** Pardon?

**Mrs. Oleson:** Who would determine that?

**Mrs. Mitchelson:** I do not know who would determine that—

**Mrs. Oleson:** It is very subjective, anyway.

**Mrs. Mitchelson:** It is subjective, it is objective. I know that I am out working because I want to work and I do not have my child in a child care space. I prefer to have my children looked after at home and I am paying the price to have them looked after at home, and they are being well taken care of, but that is my choice.

There are people who choose to put their children in a day care space to have them looked after, but they might be out there working not necessarily because they need to. They are not a single parent who needs that income, they are not a family that really needs that income—and I am talking about people who have a total family income of \$100,000 per year. Now I would say that those people are out there working and they are making a profit. It seems to me that someone who has a total family income of \$100,000 per year should be paying what the full cost is for that day care space. If they are paying \$13.80 and the taxpayers of the Province of Manitoba are picking up the rest of the cost to keep that child in that non-profit space, I would say that the task force should be looking at ways and means of examining that system and those people who are out there who are earning large salaries, as a result of paying only \$13.80 a day for a child care space, should be paying what it really does cost the Province of Manitoba to have their child there. I would say \$19.42 per day to have your child looked after in a high-quality space is certainly not too much to ask for a family that has an income of \$75,000 or \$100,000.00.

I just wanted to put those comments on the record, because I really do feel that anyone who is in that income bracket should not be expecting the taxpayers of Manitoba to, in fact, subsidize their children being looked after while they go out to work. So maybe the task force, in their deliberations and in looking around

at the province and coming to some decisions on what should happen—I am not saying that anybody should be denied a quality space, but if they can afford to pay the full cost of that space, they should be paying it. They should not be subsidized by the taxpayers of Manitoba or the families in Manitoba that should so choose to stay home and look after their own children, or provide other ways and means of having their children looked after.

I just wanted to put those comments on the record. I am not really expecting an answer, except that I would like the task force to be looking at that issue and making some determination on those. It only makes sense to me, common sense, that if those who could really afford to pay the full cost, paid the full cost, there would be more spaces available for those in need, and those low income families and those who needed subsidies.

\* (1630)

**Mr. Chairman:** Shall the item pass? The Member for St. Johns.

**Ms. Wasylycia-Leis:** As I said earlier, all of these interjections just ensure that these Estimates will drag out even longer than the two months that we have been at it. I am glad now that we have the Minister of Culture's (Mrs. Mitchelson) comments on record to verify.

Before the Minister of Culture arrived, the Minister of Community Services (Mrs. Oleson) expressed some doubt that those remarks could actually have been quoted in the press accurately and that they were actually said by the Minister. Now that we know that they were exactly her sentiments, that she has put on record exactly what the Minister of Seniors (Mr. Neufeld) has indicated, and that is that in this field of social policy, this field because for some reason, I guess, we are dealing with small children, with kids who cannot necessarily vocalize their own concerns and speak up for themselves, we live and work by a different set of rules and standards.

In this area, unless of course this is the thin edge of the wedge and we have yet to see from this Government, if given a chance, a total erosion of our social programs, of our universal health care programs, of our education system. But given that we can only go on the basis of the comments made to date by Members, such as the Minister of Culture, by the Minister of Seniors, both whom I thought would have a better understanding of the importance of universal social programming, of a responsible role on the part of Government, would have not seen fit to leave such remarks on the record.

**Mrs. Mitchelson:** On a point of order, Mr. Chairman.

Maybe the Member for St. Johns (Ms. Wasylycia-Leis) would like to put on the record why she feels that she needs a social program. Maybe she could let us know what her total family income is and why she feels that she needs a social program for her child to be in a subsidized day care space because the taxpayers of Manitoba are subsidizing her child in day care. Maybe she could put those facts on the record and then maybe



she could try and expound on her point of view that she needs social assistance and a social program.

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

**Ms. Wasylycia-Leis:** To carry on with my comments, and I am sure that they will address the Minister of Culture's (Mrs. Mitchelson) concerns, she raises precisely the point that I have been trying to make, and that is that from a progressive point of view, the provision of day care is no different than the provision of health care or the provision of public education. They are not seen as social assistance programs. They are seen as programs that a Government has a responsibility in this day and age to provide in order to ensure a society where all people are able to participate equally and fully, and to ensure a society where economic and social viability and equality go hand in hand. So, Mr. Chairperson, I think what it comes down to is certainly a fundamental difference in approach between a progressive Government and a Government determined to deliver social policy from a very right-wing regressive retrograde cut-back mode of thinking.

It has always been our position that whether we are talking about children under the age of six or children over the age of six or whether we are talking about health care, I did not think that universal health care would ever be up for questioning. In all areas that we are talking about the provision of a universal service where parents have choice, where individuals have choice, where communities have choice, or where programs are provided on a universal basis so that not one person is forced to live a second class life in terms of a second class status, or to be anything less than equal to the next person, that is the point of all of these programs. That is why they are so important. That is why this debate has been so critical to colleagues certainly in my caucus and I believe to the broader Manitoba public.

It is our job to ensure that universal approach continues to be applied. We are a long way from providing that kind of service in the day care field. It is certainly my job and my commitment and my belief that we cannot stand to see us go back in time with respect to this public policy area. The standard approach to public policy in terms of day care and education and health care, with respect to the Minister of Culture's (Mrs. Mitchelson) concern, is one of a progressive taxation system, certainly not one of huge tax breaks to big corporations like Inco or CPR.

The Ministers of Culture's concerns could be much better addressed in the context of providing universal social services, universal applicable social policies, while still achieving the objectives of those who are able to pay, do so through a progressive taxation system. That is a progressive approach to the delivery of this public policy area, not a user pay approach that the Minister of Culture is advocating which we have rejected, I thought, as a society, long ago by way of our education system and our health care system.

It is an approach that rejects the establishment of a two-tier class approach where clearly those who are

not able to pay are subjected to the kind of scrutiny and the kind of public attention, I should say, simply because they are not able to pay. It is an approach that rejects the notion of segregated social delivery service. All of those things we reject and I am sorry to see that today we have learned that when you dig a little bit below the surface of this Government, the true agenda comes forward, an agenda which is certainly worrying all of Manitoba society, the majority of the people in Manitoba, about where this province is headed unless we can try to put in check some of those tendencies.

I am pleased to see that the Minister of Community Services (Mrs. Oleson) has not come out with that kind of rhetoric over the course of these Estimates. We have many disagreements over this policy and she has heard the concerns, and I think has listened to those concerns and is prepared to take them into account as the task force pursues its work. That is not to say we do not have fundamental disagreements because we do. We have fundamental disagreements about the use of public funds and about taking scarce dollars and directing it towards centres that are interested primarily in making a profit.

So let the record indicate those differences. Let the record also show that because of the interjections of some of her colleagues that our concern is much greater than it would have been based on the Minister's own comments, that our concern is very heightened by the interjections of today, particularly. Let it also be said that on the eve of persons' day that I certainly am saddened to hear the comments from the Minister of Culture (Mrs. Mitchelson) and others about the questioning of the motives in terms of women's entering of the work force and hope that is not a true indication of where the rest of this Government is coming from and not an indication of the kinds of policies we can expect to see in the future in any aspect of social policy.

\* (1640)

**Mrs. Mitchelson:** There are just a couple of things that really saddened me about what has just happened over the last five minutes or so in here when the Member for St. Johns (Ms. Wasylycia-Leis) indicates that a Minister, just because I happen to be on the Government side of the House, cannot come in and participate fully in the Estimate process and make my comments and my points of view. No. I would agree to disagree with her on her philosophy in a lot of instances. I really feel that as a result of my taking five minutes of Estimates time in Community Services, she feels that this is going to prolong and drag the process and the procedure out. It disheartens me somewhat to think that is the way she feels.

She tends to seem to want to have it both ways when she talks about having a social program available to all Manitobans. She feels that every child should be in a quality space. I do not think anybody disagrees with children in day care being looked after in a quality way. There is none of us, there is not any woman or any parent or any person in this province, for that matter, that does not want to see our children well looked after and well cared for. But she is saying to me that everyone

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should have that equal opportunity to have their children looked after in those quality spaces.

What I am saying is, if those that can afford to pay it, like the Member for St. Johns (Ms. Wasylycia-Leis), pays the full amount and did not pay on the taxpayers' dollars to subsidize her child in child care, that means that those who really need it, those who need the extra subsidies because they cannot even afford the \$13.80 a day, and those that are just on the border line and can only afford to spend that much money having their children looked after, will in fact have those spaces because the extra tax dollars that we can generate from people like the Member for St. Johns who is occupying one of those spaces and only paying \$13.80, the extra taxpayers' revenue that we can generate will obviously create more high quality day care spaces for those that really need.

So we will agree to disagree on our philosophy. It only makes common sense to me. I bet that if we went out to the general public and asked the people out there what they really felt, you would find that more people in Manitoba would feel the same way as I do and as some Members, and as our philosophy versus the NDP's socialist philosophy where they always talk about the underprivileged and those that need but in effect they do not practise what they preach.

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

**Ms. Gray:** No. While we are on the Day Care section, I just would ask clarification from the Minister. The Minister indicated the other day that for children who wished to enter into day care spaces under a special needs category, that in fact assessments are not—that the application goes through the day care office and that assessments which used to be done by family counsellors in regional offices, are currently not done? Could I just get a clarification as to whether that is correct?

**Mrs. Oleson:** There are two types of special needs. The Member, I think, should be aware that one is perhaps a social need and that is done through the day care office; the other is a physical special need because of a disability that is still done through a referring agency—what I should say.

**Ms. Gray:** Could the Minister tell us when the decision was made or how long the practice has been to not have the family counsellors involved with the social needs assessments?

**Mrs. Oleson:** They are still involved with them, if there is not someone else actively working with the family.

**Ms. Gray:** That is what I wanted clarification on because I have had so many answers as I read through Estimates. They get contradicted and I just want to clarify to ensure if in fact family counsellors were still involved. And now the Minister indicates that they are still involved with the social needs assessments. Could the Minister tell us: What is the purpose of having the family counsellors provide assessments in these social needs situations?

**Mrs. Oleson:** It is required for the income test that we have a study to verify the need.

**Ms. Gray:** Could the Minister tell us, is it the family counsellors who then make the decision as to whether that child would benefit or would qualify under the social need category?

**Mrs. Oleson:** They recommend whether it should be subsidized, for how long, how many days.

**Ms. Gray:** Could the Minister indicate if the family counsellors make that recommendation, is the final decision then made by the day care office?

**Mrs. Oleson:** Yes, and this assessment also needs to be made because of the cost-sharing aspect of the system.

**Ms. Gray:** It used to be the situation that when social needs assessments were requested and referrals were received by family counsellors that oftentimes the child had already entered the day care so that family counsellors would find themselves basically attempting to rubber stamp a decision because it had already been made that the child would enter that day care space. Could the Minister indicate to us if that practice has changed?

**Mrs. Oleson:** It is the centre's choice to accept the child before that assessment has been made. Occasionally that will happen, that the child is already in the centre before the assessment is completed.

**Ms. Gray:** Is the Minister indicating then that the family counsellor—there is not really a point to the family counsellor making a social need recommendation, that it is really only related to income because of the cost-sharing aspect?

**Mrs. Oleson:** If the counsellor recommended against the subsidy, then they could be withdrawn; but it is part of the cost-sharing agreement that there has to be an assessment made. You have to establish a need.

**Ms. Gray:** The Minister is indicating if in fact a family counsellor made a recommendation that the family or child was not eligible, or they did not feel they were eligible under the social need, that child could be withdrawn. Could the Minister indicate, does this not seem a slightly illogical way to do business, if I could use that term? Would it not be fairly traumatic or detrimental for the family, including the child, to have them enter into a day care, be there for two to four to six weeks, and then be told that they do not qualify for this placement?

**Mrs. Oleson:** Staff indicate they cannot think of any times where it has happened that way, that the child has then been withdrawn. You cannot run a perfect system. It would be very exceptional if that would happen.

**Ms. Gray:** Would the Minister tell us, if the family counsellors appear to be what I would call "rubber stamping" their social need assessment, the recommendation does not appear to be needed because day care and the specific day care have already

made the decisions. Would it not make sense to not have the family counsellors involved in that activity at all, since there are very few family counsellors, and as has been identified in other parts of these Estimates, there seems to be a need for them to participate in other duties such as family counselling?

\* (1650)

**Mrs. Oleson:** The counsellors may very well be working with a family that has other needs as well. For an ongoing subsidy, the assessment needs to be made.

**Ms. Gray:** I would think if the Minister might check statistics, she would probably find that the majority of cases, family counsellors would not know these particular families that would be referred to them; that the families they would work with may be the exception. But could the Minister indicate to us, would there not be another individual within her department, other individuals other than professional family counsellors, who could make some determination in relation to the income, or so that those responsibilities or the necessities under the cost-sharing agreement can be met?

**Mrs. Oleson:** Probably 80 percent are done outside the department. But with regard to the other question where the Member was talking about family, I indicated that in working with family this would also help identify other needs that the family may have if they are working with the one particular child.

**Ms. Gray:** Is the Minister then indicating that she is quite satisfied with the way the system is currently, with family counsellors providing this after-the-fact assessment?

**Mrs. Oleson:** It will be in some cases after the fact, but not necessarily. I certainly will monitor the situation to see what happens.

**Ms. Gray:** I would be pleased if the Minister did monitor and look into this situation. I think it is a situation that family counsellors and regional, operational senior staff have raised time and time again over the last four or five years. It sounds like the situation has not been corrected and if there is a way in which staff can more effectively use their time I certainly think that should be looked at.

**Mr. Chairman:** Shall the item pass? The Member for St. Johns.

**Ms. Wasylycia-Leis:** I will try to be quick. Let me just say, in response to the comments by the Minister of Culture (Mrs. Mitchelson), that I certainly welcome the opportunity to have this kind of debate this afternoon and welcome the exchange, contrary to the impression that she has left on the record. I am simply commenting on the fact that these Estimates do tend to drag out as colleagues of the Minister of Community Services (Mrs. Oleson) tend to involve themselves in the debate.

Let me also say that while I certainly appreciated the debate, I do not appreciate the personal innuendos

and attacks, and I hope at no point have I stooped to question anyone's personal choice or anyone's personal decisions about their family or their communities.

My concern has always been one of public policy and use of public funds and I end with a question based on some of the comments made this afternoon about whether or not it is at all the policy of this Government, or whether or not any thinking has been going on with respect to changing current policy to move us sharply away from what I would call quasi-universal child care system. Are there plans in the works, are there discussions under way to begin to recoup full costs of child care from users of day care by introducing a stripped user-pay service, and to start to, on some formula-based scale, recoup costs above and beyond for all families who make more than the \$16,916 that a family of two parents and two children, maximum income it can make before it becomes eligible for a subsidy; is it the policy of this Government to sharply change policy in this regard? I ask out of all sincerity because, up until now we have focused primarily on the other side of the equation, which has been one of putting in place a system that is equalizing the benefits for the private-for-profit sector, in comparison to the non-profit sector.

Now I think we have heard some things this afternoon that open up the question about public policy vis-à-vis the question of any kind of aspirations of achieving a universal high quality child care system. Can the Minister give us any indication about plans under way, changes in policy with respect to our current highly respected policy with respect to child care in the Province of Manitoba.

**Mrs. Oleson:** I have mentioned several times during the course of our debates on child care, whether it was in the Child Care line or wherever it was, that we are still operating under the same policies that have been in place and these Estimates reflect a commitment to child care in the Province of Manitoba, a commitment which I am quite confident will be ongoing.

We have said on numerous occasions that Members of our Government were committed to quality affordable day care, and the Member will also be aware that the task force is looking at all aspects of child care in the province, will be reporting and will be making recommendations. I would not be undertaking to make any policy changes at the moment because I have not seen their recommendations.

**Mr. Chairman:** Item 4.(d) Child Day Care: (1) Salaries \$1,341,100—pass; (2) Other Expenditures \$330,000—pass; (3) Subsidies \$16,567,500—pass; (4) Grants, \$17,482,800—pass.

Item 4.(e) Family Dispute Services. Is it the will of the committee to call it five o'clock? (Agreed)

The hour is now 5 p.m. I am interrupting the proceedings for Private Members' Hour. The committee will return at 8 p.m. this evening.

\* (1700)

\* (1430)

Monday, October 17, 1988

## SUPPLY—AGRICULTURE

**The Acting Chairman, Mr. Jim Maloway:** I call this section of the Committee of Supply to order, please.

We are continuing to consider the Estimates of the Department of Agriculture. We are presently on item 4.(d) Soils and Crops Branch: (1) Salaries—the Honourable Member for Fort Garry.

**Mr. Laurie Evans (Fort Garry):** While we are on this particular branch, I would like to move into the area of the plant pathology lab particularly. My understanding is that there are no charges for diagnostic work within plant pathology. Is that correct?

**Hon. Glen Findlay (Minister of Agriculture):** No, there are no charges for plant pathology work that is done.

**Mr. Laurie Evans:** I would just like to pursue that a little bit further. The indication is that some 6,000 samples were analyzed for Dutch elm disease. Is this also done gratis by that particular lab or is there an interdepartmental—because I do not believe the Dutch elm problem falls within that branch, if I am correct?

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

**Mr. Findlay:** We do the Dutch elm disease samples. Whether there are 6,000 or not, we are not sure, but there is no charge.

**Mr. Laurie Evans:** While we are on the Dutch elm problem then, I guess, can the Minister give us an assessment of what the department or those working on this problem regard the current situation as being. Are we on top of it? Is it a problem that we can see a solution to, or is it just a matter of time before the majority of our elms are gone?

**Mr. Findlay:** There is not much I can say on it because it is really under the purview of the Department of Natural Resources. But the intention is to try and control the spread or slow down the spread by pruning, and proper disposal of disease-infected branches and trees. That program has been going on for some time. Whether it will be successful in maintaining elms or whether if just given a bit more time, 10 or 20 years, we will lose all our elms is a good question for which we do not have an answer.

**Mr. Laurie Evans:** One final question in that area, and that is the range of that program. I have heard that it essentially stops at Lockport. Is there monitoring of Dutch elm going on further north than that, or is it province-wide? Just how intensive is that effort?

**Mr. Findlay:** Certainly, it is as I said earlier, an issue for Natural Resources. We do not have the information on it. But clearly the majority of elm trees are along the Red River running through Winnipeg and up north towards Selkirk and Lockport. There are some in Brandon and there are some disease problems there. But whether it goes away from the rivers to any extent

I could not tell you, but I would suggest that when Natural Resources are here, they are the people that have the appropriate answers.

**Mr. Laurie Evans:** Taking a look at the whole issue of grants and transfer payments, can the Minister give us a general breakdown as to the magnitude of these grants in categories, such as how much is actually going to horticultural societies, how much to the Women's Institute and various other organizations that are supported through these grants?

**Mr. Findlay:** In the Soils and Crops Branch there are three major grants, one to the horticultural society of \$33,000, soil testing lab at the university of \$230,600, and to the weed districts \$344,000.00.

\* (1440)

**Mr. Laurie Evans:** So, a large proportion of the grants then go to the pesticide laboratory. The question I would have for the Minister regarding the pesticide laboratory is the Minister satisfied that the original mandate for that laboratory is still what that lab is doing, or could the Minister give us a brief rundown of exactly what he regards the mandate of that laboratory as being?

**Mr. Findlay:** Yes, did you say the pesticide laboratory or the soil test laboratory?

**An Honourable Member:** I believe he said the pesticide laboratory.

**Mr. Findlay:** No, soil test laboratory. I said the horticultural societies, soil test laboratory and weed districts.

**Mr. Laurie Evans:** Moving back to the weed districts, Mr. Chairperson, could the Minister indicate the number of weed districts and the nature of the funding? I understand that some of these weed districts encompass several municipalities. There is some variability as to the size and to the way in which they are actually financed.

**Mr. Findlay:** In the province at this point in time, there are 33 weed districts and it covers about 57 municipalities out of approximately 120, so about half the R.M.s are covered.

The size and number of R.M.s per weed district varies from as small as one up to about four. Certainly the weed districts have been a problem area over the years. At one time we had more municipalities in, and for various reasons they have decided to disband some weed districts. It is one of my initiatives to try to get more R.M.s into weed districts and get the weed districts functioning to the satisfaction of the R.M.s and to the department. Certainly weed control is a very major activity that needs to get a greater level of recognition, because numerous people comment as they drive across the province, it is easy to find out which municipalities are in weed districts and which are not by the weed problems, as you pay attention as you drive along.

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The size of the weed district is probably best about two municipalities, three at most. If you get up to four, then you become a little bit too large an area for one individual to serve. In weed districts where there has been good directors, weed district directors, there has been good job performance, the municipalities are happy and the weed problems have been dealt with quite effectively.

One of the areas that we see growing weed problems is in roadsides where municipalities do not pay any attention to weeds or where they build new roads and or even highways, where they build new highways and they do not pay attention to the roadsides, and the weeds grow until the grass takes over. It is really an unacceptable practice as far as adjacent landowners are concerned, particularly in dry years when tumbleweed can be a problem like it has been these past few years.

I want to see more municipalities in weed districts, because they serve a very valuable need, not only for the R.M.s in terms of weed control, but for the farmers in terms of expert information on weeds. You may say that our ag reps should be supplying that service, but some of our ag reps are not specialists in weeds and I think when a farmer is going for information nowadays, he needs very technical information which the weed district supervisors can supply.

**Mr. Laurie Evans:** Could the Minister give me the typical breakdown of a weed district in terms of the total cost of the weed supervisor, the operations of a weed district? What proportion of that is picked up by the provincial Government as opposed to the municipal support for it, and whether in fact the provincial Government has increased the support to weed districts in recent years?

**Mr. Findlay:** The provincial grant at this time, and it has been that way for six years without change, is \$9,000 toward salary and \$1,500 toward expenses. The average weed district supervisor's salary—I say average—is around \$20,000 to \$22,000.00.

They work not only for the R.M. or for the town and district that they are in, but they do a fair bit of custom work for the highways, hydro, railways, areas non—or private property of that nature. Certainly, it is our intention to increase that level of funding to those weed districts. We have had discussions with weed districts and we are looking at ways and means of being able to put more funding in there to meet their immediate needs.

**Mr. Laurie Evans:** Just to follow up in that vein, can I infer from the Minister's comment that there will be an increase in support to the weed districts in the current fiscal year, or in this budget, or is that anticipated as something to look at in the upcoming '89-90 rather than the '88-89 budget?

**Mr. Findlay:** What we are looking at are increases over a period of about three years. We are definitely looking at being able to put a bit more money in this year, but most definitely in the next two years is what we are

planning to put more revenue towards the weed districts.

**Mr. Laurie Evans:** I am very pleased to hear that, because I certainly concur with the Minister's view of the importance of these weed districts. Certainly the additional support, I would assume, will lead to, eventually over time, greater qualifications being required for supervisors and other support persons working in the weed districts. Dealing with weeds, could the Minister update us on the current status of some of the noxious weeds that have been a problem in Manitoba the last little while. I am looking at things such as the—I believe it was the red bartsia that was a problem up in the Interlake area. There was the attempt to have biological control of the nodding thistle, which I think was getting out of hand. Are there any others that fall into that category that the department is working extensively on, and what is the status of them?

\* (1450)

**Mr. Findlay:** What we have found over the years is that in the areas, in the municipalities where there are weed districts, there has been a pretty good program of keeping the noxious weeds in check. In addition to the two that he mentioned, leafy spurge is one that has given a fair bit of difficulty in some areas of the province. As far as biological control is concerned, there has been reasonably good control efforts demonstrated with a particular insect on nodding thistles.

Some work is being done also on leafy spurge, round leaf mallow and perennial sow thistle with regard to biological control. But the nodding thistle one has been ongoing for some time and there is some reasonable level of success being demonstrated.

**Mr. Laurie Evans:** Still within the area of weed control, I know that there has been some study going on relative to the cost differential between the so-called patented herbicides versus the generics, can the Minister give us any indication as to the policy direction that is being taken within the department as to the support for the development of the generic herbicides, the implications of that to conservation tillage, and at the same time perhaps some comments on the whole issue of product specific registration for herbicides?

**Mr. Findlay:** I am sure that the Member is aware that a study was done on glyphosates cost-shared by a team in Industry, Trade and Tourism and Agriculture to a total cost of between \$34,000 and \$35,000.00. That study was completed and the report was released about three or four weeks ago.

Generally, that report indicated that product specific registration is a problem for any generic chemicals getting on the market. Really what the PSR means to anybody who wants to produce a generic-like glyphosate, which is certainly what was looked at in the study, is that they cannot start to do any work until the 17 years of registration are completed. It would take about two years after that to complete the PSR requirements on the specific generic and it would

probably cost \$2 million to \$4 million to get that work done so that the chemical could be approved in the formulation that they want to sell the generic in. Certainly there are two ways to go at it. One is to propose that the chemical be made in Canada and formulated in Canada. Another is to buy the active ingredient from outside of Canada and just formulate it here.

The thoughts are that maybe the chemical could be put on the market for a cost of anywhere from \$6 to \$12 an acre, \$6 being the lowest and maybe lower than really realistic, as opposed to the present cost from Monsanto of about \$18 an acre or \$18 a litre. I certainly have grave reservations about why PSR is there and what it is going to do to No. 1, the cost of the generic chemical to the farmer; and secondly, the speed at which it can be made available once the original 17 years of registration are up.

(Mr. Chairman, Mark Minenko, in the Chair.)

I have written to the federal Minister of Agriculture expressing these views, that we need to look at PSR. I consider it to be more of an inconvenience and it is standing in the way of producers getting low-cost generics available for use. If the reason for PSR is to protect the public, then likely the public should be paying for those costs rather than the farmer, those costs both in terms of dollars and in terms of time.

I think there needs to be something done at the federal registration level to help producers in this particular area and I would hope that we can get some reaction from the federal Government. I would like to see this on the discussion table next time the Ministers of Agriculture across the country meet so that we can collectively express our views to the federal Government on what PSR is doing to sort of holding up the ability of generics to be available to producers at a reasonable price. The \$2 million to \$4 million for PSR registration, you know who is going to have to pay for it. It is going to have to be passed on to the producer in terms of the price of the chemical. If the reason for PSR is to protect the public, then I think the public should be looking at paying that cost rather than the farmer.

**Mr. Laurie Evans:** Here again, Mr. Chairperson, I certainly endorse the comments of the Minister and I am sure he is well aware that one of the obstacles to the conservation type of programs that many producers would like to employ is the cost of the chemical such as glyphosate, which is sort of the key to the control of weeds if you are going at full-scale conservation or even zero tillage.

I would like to move into the area of horticulture. Can the Minister give me an approximation of the amount of support that is actually going in to the horticulture program through soils and crops, in terms of the number of personnel and the fraction of the total budget that is going into horticulture?

**Mr. Findlay:** In the Crops Branch, there are a total of 5.2 staff years in the horticulture area and a total expenditure of \$260,600, plus the \$33,000 to the Horticultural Society that I mentioned previously.

**Mr. Laurie Evans:** In the area of horticulture, Mr. Chairperson, the Minister indicated that there was still support going to the horticultural societies. Do I infer from that, that there is support going to the horticultural societies that are essentially totally urban, because I believe quite a few of them are essentially societies that involve city home gardeners and that type of thing? Does the Minister feel that there is still justification for that type of support through the department to that type of horticultural society?

\* (1500)

**Mr. Findlay:** There are a total of 44 horticultural societies, and 10 or maybe 12, 15 are in the city. We are not just sure how many are really totally city located.

I think that the Member should also remember that we fund the Hort Line in both Brandon and Winnipeg, which is a service to city people as much as rural people. I think it goes a long ways to help the understanding between urban Manitoba and rural Manitoba that we supply that sort of service to the city people. You may question why we do. I think the horticultural area is an important part of agriculture as well as other areas.

**Mr. Laurie Evans:** I find myself agreeing with the Minister too often on occasion. Here again, I would certainly support—I guess maybe I was hoping that he would be saying no to this. Having been involved in the horticultural area for many years, this is certainly one area where we get more contact with urban dwellers than we do anyone else. So I would certainly endorse that.

I have had the good fortune of attending two or three of the Horticultural Society shows this year. Certainly, I think that is one way of maintaining that tie-in between the urban and the rural group and certainly enjoy talking to the people involved in these societies. Quite often, you find that they are retired rural people who are keeping their hand in and take great pride in the flowers and the vegetables that they can grow and, in some cases, certainly seem to be able to do remarkable things with a small garden area, even in a climate such as ours. I fully endorse this retention of the support for the horticultural societies.

Moving on to the Elite Potato Seed Farm at Portage, here I understand the intent of it—is it still a situation where that seed farm has to rely on the lab in Vancouver for the analysis of viral diseases or do they have the capability in Manitoba to do the virus monitoring on seed potatoes?

**Mr. Findlay:** We are just not particularly sure of what the status is in regard to whether we still have to go to Vancouver for the viral disease tests that you are talking about, why there is not a capability here in the province and whether it is being developed. We will have to find out.

**Mr. Bill Uruski (Interlake):** I would like to ask the Minister, whether he wants to deal with it here or he may not have his staff here, the study that was being conducted and led by Agriculture and IT&T on glyphosate. Is it in this area or is it another area?

**Mr. Findlay:** Yes.

**Mr. Uruski:** Okay. Can the Minister provide us an update of where that study has taken us up till now and what are his next steps in that area, and what is he proposing as we go on in terms of the possibility of having a Manitoba producer and/or where are we from making some further decisions in this whole area? I understand that the patent is expiring within less than two years, a year and a half—

**An Honourable Member:** March 1990.

**Mr. Uruski:** So it is less than a year away and - (Interjection)-

**An Honourable Member:** A year and a half, March of '90.

**Mr. Uruski:** Oh, '90, a year and a half away. Then I would like to know where the department is heading in this area?

**Mr. Findlay:** Yes, I already made some comments on it earlier. The report that I mentioned that was released some three to four weeks ago was done at a meeting in the Norquay Building where the public was able to come and there were a few questions on the report. The review has been sent to all Ag Ministers across the country and I have asked them to review it and comment and, as I said earlier, asked the federal Minister to have it on the agenda the next time Ag Ministers get together across the country so they can look at particularly how it applies to PSR registration for not only this chemical but other ones.

As far as further activity with the information that came out of there with regard to what it would cost if the chemical was to be produced here in Canada as opposed to the active ingredient being purchased and brought in and formulated here, to the best of our knowledge we understand that focus on inputs, those individuals have considerable interest in following up in trying to get the generic registered.

We also believe that AECL at Pinawa is doing some chemical work there. It is in private hands. There is some interest and some activity. They will always have the stumbling block of PSI registration after—and if I remember right the date is March of 1990 when the 17-year patent is up.

Certainly it is a very important issue, particularly for this chemical, because as we look at soil conservation and an attempt to have more zero tillage or more minimum tillage to keep some cover on the soil, this chemical is very important to that and if it can be produced at a cost below the present \$18 a litre, or \$18 an acre, in the vicinity of maybe as low as \$6 but probably closer to \$12 a litre or \$12 an acre, it will be more attractive to producers. We are going to do whatever we can to facilitate that and I think one of the areas that the most urgent need is some consideration of PSR registration, product specific registration, for generic chemicals.

As I said earlier, all the data is really there both for efficacy and for the formulation in terms of the

toxicology with the initial application that came in from Monsanto. Really, I think the original chemical companies always want PSR in place because that gives them another two years of control on the market without a competitor being in place. As long as there is not competition, the price will stay up there. We want to see a generic in place to compete with the major company as soon as possible, and we know that will bring the price down.

**Mr. Uruski:** Mr. Chairman, is it possible to have a copy of that study for my—I know that it was available. I did not receive a copy. If I could ask the Minister to provide me with a copy of that study?

**Mr. Findlay:** Mr. Chairman, we will make two copies available, one to each critic of the—oh you have one, okay. I will make a copy available. We will bring it this evening if we can.

**Mr. Uruski:** Can the Minister indicate whether there was in that report recommendations for what I would consider the next step in terms of trying to pull this together to work toward having a competitor or at least having someone either identified or assisting someone to encourage someone to get into doing some work so that as soon as that patent is over that someone is producing and/or whether there were any options there of even getting around PSR because of the nature, and I guess if the ingredients were imported and formulated here, essentially the same chemical would be made only in a generic form, whether there were any suggestions emanating out of the report for further action to either Government, or at least Government taking a leadership role?

I am sensing from the Minister that at this stage he is backing off, in a sense, and maybe I am misreading him. This issue, in fact, I raised at the Ministers' Conferences several years ago, the cost of chemicals. It was widely discussed, but at that time—I guess I would put it in colloquial terms, pooh-poohed by the then federal Minister—to say, well, it seems that the problem is just in Manitoba, but the problem was certainly much more widespread than Manitoba and we identified the one area. Glyphosate is the one chemical that we felt should be targeted to see whether even a challenge to the PSR registration and/or an encouragement of a local—when I say local, a Canadian entrepreneur to be in this area.

\* (1510)

**Mr. Findlay:** The Member is certainly wrong if he says we are backing off of it. There is no way that we are backing off. I have already indicated the action we are prepared to take with regard to dealing with the issue of PSR registration, and that will be one of the greatest contributions we can make to facilitating the private entrepreneurs, as the Member mentioned, getting into the business of selling the generic at a reasonable price in Manitoba and, in fact, all of Canada. The two options were addressed, whether the chemical, the active ingredient should be purchased offshore and brought to Canada and formulated. That was the least risk option because you did not have the cost of building a chemical plant.

The second option was to build a chemical plant in Canada and produce the material here. But the estimated cost of the chemical plant is some \$15 million. That is a sizable cost. If you can purchase the active ingredient offshore at a reasonable price, that is lower risk. You just do your formulating in Canada, and we will help the private entrepreneurs by doing what we can through the federal Government, through plant product registration procedures, to try to get that problem, that two-year, sort of reproducing the toxicological data requirement that presently is in place, trying to deal with getting that waived or dealt with in a manner that is not going to hold up the speed with which the generic chemical could be made available to the farm community.

So we are definitely pursuing it. I have already told the Members earlier, I sent a copy of the report to each of the Ag Ministers across Canada. I told them to read it, and told them that we have concerns about the delay of getting the generic on the market because of PSR2 and want it dealt with at the next Ministers of Agriculture meeting in a most constructive fashion, because that is the way we can help the private entrepreneurs get into the business of producing a generic chemical, particularly one that has a lot of not only agronomic benefit to western Canada but a lot of conservation benefit. It is our ambition to try to save the producers approximately half their present costs by helping the private entrepreneurs get into business.

I think it is safe to say that people who like to focus on inputs have a very high level of interest in following through with the information that was available through that report. It is my understanding that they have identified either four or five different locations offshore in the world where that active ingredient can be purchased, and purchased at a reasonable price. That is by far the preferred option, as opposed to building a chemical plant at a cost of some \$15 million.

**Mr. Uruski:** Can the Minister indicate really what he hopes will be accomplished since he sent that report around the country? What is his time line in terms of action because I, having been one of those participants, a number of reports have floated around across the country and they seemed to generate a bit of discussion at the time. But usually what is required then is the ongoing backing of a Government, and having the technical staff and the staff in the department to move it along and get to some decision-making process.

I am concerned somewhat. I mean, the Minister is putting it on the Ministerial agenda. Is there anything that can be done in the interim in terms of Manitoba's interests to move this matter along and even make some further progress in trying to have Ottawa—I think the real issue in this whole question is whether, and the Minister will correct me if I am wrong, or not Ottawa will grant someone else a licence to manufacture the product without PSR if the basic ingredients are in fact purchased from the same source as Monsanto basically, who has the registration now, and whether or not it can be manufactured by a manufacturer without going through that lengthy process of registration, if in fact the ingredients are purchased from the same manufacturer. If that is the issue, are there not some

rules that the province can make on its own to try and move this along and see where we get?

**Mr. Findlay:** There have been ongoing discussions between staff at our level and the federal level, looking at ways and means of really doing what you have just identified, having a licence granted so that permission to produce can be obtained. At the federal level, they have initiated a discussion paper on this or are in the process of developing one. It is certainly my intention, after the federal election is completed and we know who the Minister of Agriculture will be at that time, we intend to advance a technical letter to his attention to keep moving on with the process of getting to resolution of the situation of PSR so that generic chemicals can be available to producers as quickly as possible.

There is no intention of us sitting on the report. We are going to act on the information in the report because the issue is very important for a number of areas that I have already mentioned, for producers in western Canada, not only cost but in terms of the feasibility of lower tillage in the farming practices. We are going to follow it up with the federal Minister with a technical letter and keep staff working on a technical level with federal staff to see if there are ways and means of getting around the present requirements, which I know the chemical companies are lobbying to keep in place.

So we are going to work on this side to do what we can to get them reduced or find a way to get around them in the short term and prevent the costs being passed on to producers.

\* (1520)

**Mr. Uruski:** Then the issue is essentially as I have described it. It is a bit of a difficulty for the Minister, being a Conservative Minister, lobbying now or at least putting his record on to say, let us see if we can find a way of reducing the number of years of basically a closed shop, as I would call it, in chemical registration, on the one hand and while on the other hand his national colleagues just gave protection or increased closed shop to multinational drug companies on human drugs, and gave them a lot more over the long term, healthier profits, some of whom are probably in the same business.

That is a bit of a dilemma and I, for one, want to say to this Minister, I will be interested in following and I will be following this issue with interest to see what moves will be made within the next 12 months, to see whether or not the patent will come and go and then some others will get into the business, or are we in fact serious about impacting on the cost of operation of farmers and I guess basically challenging the system as it is, in a way that does not threaten the environmental standards that are in place. There is no doubt that the standards that are in place are recognized worldwide, and that protection is necessary. But given all the factors in play and if a comparable product could be made, whether or not we could get around that process.

I, for one, will be watching with interest as this Minister moves this along because it is clearly a Manitoba



initiative in this whole area. To get it to the forefront, a number of years ago we did, albeit maybe not enough, put money up front to try and identify the issues here. I, for one, would not like to see that effort be at all stymied or slowed up. I am pleased that the Minister says, I am intending to move it forward. The new Minister will be coming on stream, whoever he will be after the election, and I am going to keep working on it recognizing his political dilemma with his present federal colleagues.

**Mr. Findlay:** Mr. Chairman, I do not think we should lose sight of the fact as to what group of people really have to be given credit for being active in looking at generic chemicals and looking at being able to make those chemicals available to producers at a lower cost. That is the group presently known as Focus on Inputs. Had they not done what they did over the last four or five years in terms of challenging the establishment, in terms of producing a generic trifluralin product called trifluralax, I do not think we would have the opportunity to do what we want to do with glyphosates. They fought the system and they took a significant financial gamble.

I think that producers at large do not really recognize the benefit they have received from their actions in the price of trifluralin over the last four or five years. Private entrepreneurs I think are in a well position to lead the charge in this area. We will do what we can from the Government registration level to be sure that we can assist them to the greatest possibility to meet those objectives. I think those people and the shareholders who are involved with them need to be given a lot of credit for having the gumption to fight the establishment in the past number of years on generics.

**Mr. Uruski:** Mr. Chairman, is the Minister intending to make changes in the present funding formula for weed districts?

**Mr. Findlay:** Mr. Chairman, as I mentioned earlier, we are looking at ways and means of being able to increase the levels of support in weed districts over the next three years. I would remind the Member there has been no increase in the grants since 1981. Weed districts have been unhappy with that situation, very unhappy to the point where for that reason and other reasons some have disbanded. It has been difficult to get other ones to form. There have been letters coming in from some who have said that if we do not get some action pretty soon in terms of more funding we will have to look at disbanding, too. The initial objective was to match the salaries 50-50 and over the last number of years, as you can appreciate, salaries have increased and the municipalities have had to pick up a greater than 50 per share.

It is our intention to get the funding moving towards getting back to that 50-50 sharing on salaries, with some money also available for the expense side. There is no question that over the years since the weed districts were first started, the qualifications and the level of education or level of technical ability has increased substantially, as it well needed to. I think they have to be funded to a level where they can attract those technically trained individuals in order to be able

to do a good job. If they do a good job, they will continue to get their funding from the municipal level. So it is our intention to improve the funding and deal with the problems technically as well as we can.

**Mr. Chairman:** Item 4.(d)(1)—pass; item 4.(d)(2)—pass. Item 4.(d)(3), Northern Development Agreement—Provincial.

**Mr. Uruski:** Can the Minister indicate whether this is the portion of the budget that deals with northern horticulture and gardens and those areas of the expenditures?

**Mr. Findlay:** Yes.

**Mr. Uruski:** Can the Minister give us an update on the activities of the branch this year in northern Manitoba? Has there been a continuation or an expansion of gardens? It certainly has been one of those, while small in terms of scope, it certainly has I think brought a number of communities where the cost of transportation of produce is, to say the least, very expensive, and has brought some self-sufficiency to some communities, and whether the Minister sees that as a continued thrust of the department in as limited a way as it is for northern Manitobans.

**Mr. Findlay:** The activities with regard to preparing gardens and helping with the self-sufficiency for northern communities is continuing. There is really one full-time staff and a half-time technician and a part-time secretary involved in the process of delivering the program, involving land preparation for gardens and giving technical information on being able to produce food under those particular circumstances. So those activities are continuing and there have been a number of communities in the North involved, some 47 communities involved in the program, so it has covered a lot of area. To the best of my knowledge, it is doing a good job of meeting the needs for self-sufficiency in that area.

**Mr. Chairman:** Item 4.(d)(3)—pass.

I would like to now continue with item 4.(e), Technical Services and Training Branch: (1) Salaries.

\* (1530)

**Mr. Laurie Evans:** Once again, Mr. Chairperson, could the Minister give us a general breakdown as to the 40.50 professional/technical staff. I would just point out to the Minister that here again in the Estimates Book, as I read it, there is a minor mathematical error there. I think it totals up to 54.74 staff years instead of 55.22 on page 48 of the supplementary booklet there.

**Mr. Findlay:** Mr. Chairman, the Member raised this point before about not being able to add them up properly and we forgot to give you the answer back but, when you are adding those up, when you are dealing with a point situation, it is not .5 out of 100. It is out of 52 weeks, so .5 is almost a full staff position. So if you do it that way, the figures will work out.

**Mr. Laurie Evans:** The other point I was making, Mr. Chairperson, is a general breakdown of those 40 technical years there as to how many of them are in the various areas that they are responsible for under Technical Services.

**Mr. Findlay:** The Technical staff in this branch are Ag Engineering, 7; Entomology, 3; Apiary General 2; Apiary Inspections, 1.36; Farm Machinery Board, 2.1; Farm Management, 4; 4-H Youth Specialist, 2.3; Agricultural Manpower Services, 1; Extension Centre courses and administration, 2; and Home Economics, 8.

**Mr. Laurie Evans:** Can the Minister give me an update on what has happened relative to the honeybee situation and the problems that were present with the necessity of destroying colonies because of the mite and so on? Where are we at? What is the scenario today?

**Mr. Findlay:** The Member talks about mites. There are two mites that we have to talk about: one is the acarine mite and the other is the varroa mite.

In '87, there were some 52 different honey producers found to have the acarine mite in the Province of Manitoba. This year, a survey was done and there were only two producers that have been found to have the acarine mite. One of the major reasons why that has happened is the border was closed this year to importation of honey packages. So it has had a remarkable improvement in terms of reduction of number of colonies that they found the acarine mite. That information has just been found out here most recently.

At this time, there has been no identified varroa mites in the Province of Manitoba. Certainly the honeybee industry is very concerned about these mites. It is basically their desire to continue to do the inspections where bees are found to have the bees destroyed to keep this mite out of the Province of Manitoba.

Ontario and Quebec closed the border. This will be the third year they have had the border closed. They have had good success in keeping the incidence of mites very, very low. It is the desire of the Honeybee Producers Association here in Manitoba to keep the border closed, to keep the mites out and to continue with the regulatory surveys—the more mites are found, to destroy the colonies. This year the two people who found the mite both voluntarily destroyed those mite-infested bees.

**Mr. Laurie Evans:** Could the Minister outline what level of compensation was provided to the beekeepers who were found to have the infested apiaries?

**Mr. Findlay:** Again with regard to the two mites in terms of compensation, the varroa mite is identified as a compensatable disease under the Animal Diseases Act federally. Compensation occurs there same with destruction of any particularly diseased animal, like with rabies or foot and mouth disease. That is handled the same way.

With regard to the acarine mite, it is not identified under the Animal Diseases Act of the federal

Government. Therefore, there is no compensation available at that level for hives that had to be destroyed because of it. The vast majority of honey producers voluntarily got rid of their bees either at the time that it was found or in the fall, terminated those hives in the fall, which has in the past been the normal practice of honey beekeepers anyway, is that in the fall you terminate your hives, you bring a package in and start all over again in the spring. Now we are into a much more active overwintering program because the packages are not coming in. There has been real good response for the vast majority of producers in terms of terminating their colonies to control the mite problem. Certainly there are various reasons why the acarine mite has not been identified.

About two months ago or two and a half, maybe three months ago now, I wrote the federal Minister of Agriculture requesting that it be considered to be identified under the Animal Diseases Act federally. His response back was that the Honey Council of Canada had been asked if they wanted it identified and they said, no, they did not want it identified. The Honey Council of Canada has taken that position unfortunately which was contrary to what the producers want, the beekeepers themselves. So there is a bit of a battle going on between the active bee producers and the Honey Council as to whether the acarine mite should or should not be identified. So far it has not been identified under the Animal Diseases Act. That is unfortunate because that means that there is no automatic compensation package in place.

\* (1540)

**Ms. Avis Gray (Ellice):** Mr. Chairperson, I have a few questions for the Minister of Agriculture. I understand in this particular section under Technical Services, that within Technical Services there is a Home Economic section that provides service to staff persons throughout the Province of Manitoba. I understand that over the last few years there has been a change because we note that the Home Economics section, which used to be a directorate, has moved from the Department of Health to the Department of Agriculture, and that this decision was made as a result of a senior civil servant in Health's brilliant suggestion—and it is unfortunate that Hansard cannot detect the note of sarcasm as I say "brilliant"—but be that as it may, a brilliant suggestion by a senior civil servant to actually lay off staff in the Department of Health under the Home Economic section. There were some last minute adjustments made so that now the Home Economic Section is with the Department of Agriculture.

I also understand that there was a committee that was established to look at the ongoing relationship of how the Home Economic section would relate to home economists with the Department of Health, and how some of the home economists in the Department of Health at a senior level, i.e., the nutritionist, would relate to Home Economic staff in the Department of Agriculture. I am wondering if the Minister could indicate who is on that committee and what is the mandate of that particular committee, which I understand is still ongoing.

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**Mr. Findlay:** The committee that the Member for Ellice is wanting information on consists really of three people, Morris Deveson from Agriculture, along with Peggy Barker, and the Director of Health promotion. The mandate of that committee is relatively informal to deal with issues of interrelationship of home ecs. between the two departments. To the best of the committee's information, the issues that have come forward indicate that things are working reasonably well for the home economists between the two departments.

**Ms. Gray:** Mr. Chairperson, the Minister has indicated that this committee is rather informal and that issues have been identified, but that basically the relationship between the Department of Health and the Department of Agriculture is fairly smooth, could the Minister indicate then, are there any outstanding issues at all in relationship to how the home economic section within the Department of Agriculture relates to the home economics staff within the Health Promotion Directorate?

**Mr. Findlay:** As I indicated earlier, to the best of the knowledge of the administration level in our department, everything is operating relatively smoothly. If the Member has a punch line, she may as well get to it.

**Ms. Gray:** No, I do not have a punch line. I know that there are concerns however that have been raised. When you have senior staff, home economists, who are operating within two departments and yet part of their mandate is to relate to field staff, who are as well in two departments, the Department of Health and the Department of Agriculture, oftentimes there can be conflicts that develop in terms of how do those senior staff spend their time. As an example, with the nutrition specialists who are working with Health Promotion, I am wondering how is it worked out as to how much time does that nutrition specialist actually spend with field staff in the Department of Agriculture since they do have, I understand, some responsibilities to provide information and work with those staff.

**Mr. Findlay:** Yes, we presume you are talking about the nutritionist specialists in Health? To the best of our knowledge, the information that is requested from home economists in the Department of Agriculture is supplied as required by the nutritionist, and that is the reason for the committee, to deal with conflicts or problems on an ongoing basis if they emerge. Our staff is satisfied that they are getting the kind of information they need from the nutritionist specialist and as frequently as required.

**Ms. Gray:** Could the Minister indicate to us, is there a formal process or relationship that his staff, home economists within the Department of Agriculture, the relationship that they have or their responsibilities? Could he outline if there are specific responsibilities and time commitments that his staff would have in regard to field home economists within the Department of Health?

**Mr. Findlay:** The home economists within our department are available to offer whatever assistance

the home economists in the Department of Health want in the nutrition and health promotion areas. So we are freely available to assist and help them in any respect that we can as requested by them. But generally speaking, their interests are in areas that do not align directly with the interests of our staff and there have not been many requests from Health for assistance from the home economists in the Department of Agriculture.

**Ms. Gray:** Could the Minister indicate for us, do the staff in the Home Economics Directorate or his senior management have any concerns about the fact that the Department of Health home economists do not have any supervisors who have the professional technical expertise in the area of home economics to provide supervision for them? Has that been raised as an identified problem within his Department of Agriculture?

\* (1550)

**Mr. Findlay:** Really the question the Member raises is a question for the Department of Health, and their Estimates follow ours. How the home economists are handled in the Department of Health is not under our jurisdiction and actually maybe our economists have some concern that the people supervising over in Health are not allowing the home economists to practice the whole range of home economist activities and they are restricted strictly to nutrition. Our home economists recognize maybe that there are some concerns over there but it is not under our jurisdiction.

**Ms. Gray:** Mr. Chairperson, I am wondering if the Minister could indicate for us when the move was made through the previous administration actually to cut positions in home economists and it was salvaged at the last minute, whereby part of the directorate or Home Economics section moved to the Department of Agriculture -(Interjection)- the Honourable Minister of Finance (Mr. Manness) indicates, thanks to the Tories. Given that the Tories were obviously opposing these layoffs and in fact did not appear to have difficulties with the fact that the Home Economics section was intact and was with the Department of Health, could the Minister indicate to us, does he have any intentions of reversing the change of splitting the Home Economics section and directorate, in fact, by dividing and conquering, and does he have any strategies to move that Home Economics Section back together, either totally within the Department of Agriculture or have that section be within the Department of Health?

**Mr. Findlay:** It is our intention to leave home economists in the Department of Health and Agriculture the way they are right now and see if the programs will both work. We realize there is need for home economists' activity in the nutrition area in the Department of Health. We will be monitoring on an ongoing basis to be sure that both programs are delivered to the best of the ability of the home economists. We have no intentions at this time to putting them all back in Health or bringing them all over to Agriculture. We are prepared to see if the present arrangement will work, but we will be monitoring it on an ongoing basis.

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**Ms. Gray:** Is there any plan for a formal review as to how the operations of the Home Ec section are now working with the split of the positions, some in Health and some in Agriculture? Is there a plan by the Department of Agriculture or in conjunction with the Department of Health to actually review the operation as to how this system is now working, given that it has been in effect for over a year?

**Mr. Findlay:** No, we are not proposing a review at this point in time. The committee that is in place between the two departments indicate that things are going relatively smoothly. If that committee indicates there are some problems down the road, we will address them at that time. But through that committee, we are monitoring the activities between the two departments. As long as they go the way they are now, I think things are in good shape.

**Ms. Gray:** Could the Minister indicate to us, is there a per diem budget in this particular section which is tied in with the Home Economic section? If there is, what is the amount of that budget for per diem?

**Mr. Findlay:** Yes, there is a per diem budget under the five regions which are in the next section, under section 5. of the Estimates, but no per diem under this particular section.

**Ms. Gray:** Could the Minister indicate to us if, in past years, has the Home Economic section had their own per diem budget, as well as what per diem budgets would be within regional operations?

**Mr. Findlay:** There is none in this section now but, in the past, we understand there probably was in Health.

**Ms. Gray:** Just to clarify then, since the Home Economic section has moved over to the Department of Agriculture, there has been no per diem budget attached. Secondly, has there been a request from Technical Services or through the Home Economic section for a per diem budget to be included?

**Mr. Findlay:** Certainly, there have been requests for a per diem budget in the branch, but there are sizable per diems available in the regions. We believe that is sufficient.

**Ms. Gray:** Since we are on the area of Technical Services—and the Minister can correct me if I am wrong—I understand that in order to receive a promotion in the Department of Agriculture beyond a certain level of management that one must be eligible for membership in the Agrologists' Association. Is this correct?

**Mr. Findlay:** There are certain technical positions where an agrologist is required to perform activities in the Department of Agriculture. They have to qualify to get the sort of promotion you are talking about. They have to qualify as members of MIA. There are also management positions where that qualification is not in place, so it is just the agrologist positions.

**Ms. Gray:** Again for clarification, my understanding is that there had been identified within the Department of Agriculture a concern with which the Advisory Committee on the Status of Women was working or were involved with it. In fact, a systemic barrier identified within that department was that for some management or some specialized positions within the department that one had to be eligible for membership with the Agrologist Association, and that in fact some of these positions would be ones such as qualified home economists could apply for and that there was some discussion in regard to that particular systemic barrier. Could the Minister indicate for this House if his staff are aware that this was one of the identified systemic barriers, and has there been a move to remove that particular qualification when they are bulletining positions?

**Mr. Findlay:** Under the Civil Service Commission any, as I previously mentioned, position that is identified as an agrologist position, they have to be qualified for membership in MIA. You have mentioned management positions again and, for management positions, this qualification does not exist. We are not aware of any conflict of home economists moving into management positions because that restriction is not in place. If it is an agrologist position, then professional qualifications are required.

The Member may know that the home economists are looking at or interested in looking at their own professional Act. That is something that may be worth looking at for the home economists in the future of the Province of Manitoba. Right now, an agrologist requirement is strictly for the agrologist positions. It does not relate to the management positions.

**Ms. Gray:** Could the Minister tell us, in positions that are bulletined where they ask for someone—when he says, for people who have qualifications in the Agrologist section, what kind of jobs would be open in that area? Do you have to have a degree in agriculture in order to apply for those jobs?

**Mr. Findlay:** If the position calls for an agrologist, in order to be an agrologist, you have got to be a graduate of the Faculty of Agriculture.

**Ms. Gray:** It had been brought to my attention that there was a systemic barrier that still existed but I will be glad to check that out further and get back to the Minister on that. Yes, I am aware that the home economists in Manitoba, through their associations, are moving towards being registered as a profession. I understand they have had discussions with a number of the Parties in the Legislature. That, however, has nothing to do with affirmative action and systemic barriers.

**Mr. Laurie Evans:** I am not sure that this fits into this area particularly well, but I would like to ask the Minister what the status is on the right-to-farm legislation.

**Mr. Findlay:** I do not know if this is really the appropriate section to talk about right-to-farm

\* (1600)

legislation, but certainly it is an issue that has been talked about a fair bit. When somebody says right-to-farm legislation, they automatically, I am sure, believe it is possible to put something in there that has some real teeth in it that will guarantee the right to farm.

Nova Scotia and New Brunswick have some legislation of that nature in place. Ontario is in the process of bringing some legislation in. In discussions with both or all three of them, I talked to them this summer when I was in Toronto at the Ag Ministers' meeting, and all three of them said that it is virtually impossible with existing Acts to put enough teeth in right-to-farm legislation to satisfy the farming community on what they want in there.

As you well know, we have an issue that happened in the R.M. of Springfield which brings us to the forefront, and it is going to be difficult to ever have right-to-farm legislation that is strong enough to prevent that sort of action occurring. Well, we are looking at the right-to-farm legislation to see if we can implement something that does deal with the major issues in front of us, but it is my belief that maybe The Nuisance Act is something we should look at in terms of improving it so that it deals with more than just odour and deals with the fact that prior producers were there first and have the right to continue their operation.

So there is no question that what has happened in Springfield requires us to look at ways and means of protecting producers from, I use the word, frivolous attempts to prevent them from doing their normal activities. There is no question that it is an issue around urban areas and the rural urban areas too, where urban people move out and like the clean country air and all of a sudden find that, in order for the producers to work out there, sometimes the air is not as nice smelling as they might like. So we are looking at the right-to-farm legislation and our ability to put in something in that is effective, but also looking at The Nuisance Act as to whether improving it might not be the right way to go.

**Mr. Laurie Evans:** This Springfield issue is the reason I brought this up this afternoon. That is, I believe a couple of weeks ago, one of the Minister's colleagues raised a question in the House. I think the impression was left that this had been solved in the R.M. of Springfield, but I have here today the—and it is identified "For Discussion Purposes Only," which is a proposal for a new by-law which many of the livestock producers in the R.M. of Springfield do not feel solves the problem.

I would just ask the Minister if he—I assume he is fully conversant with what is going on there. Is he in fact satisfied that the problem has been resolved, or are we more or less back to square one as far as satisfying the livestock producers in that area?

\* (1610)

**Mr. Findlay:** Just to relate the sequence of events that has occurred, the municipality passed a by-law, and if I remember right it was August 23, which had been drafted by a lawyer without consideration for farming

practices. It really meant that a cow could not walk across anybody's land and defecate it. It was against the law. We met two days later with the Reeve and the secretary in my office along with Municipal Affairs officials. The outcome of that was that we were going to work with the council to draft a replacement by-law that would meet the needs of the citizens of Oakbank with regard to odour, which was what they were concerned about, an odour from one particular producer that was going to locate.

There have been discussions back and forth between Municipal Affairs and Agriculture, and the R.M. of Springfield trying to draft the replacement by-law which they will accept as council, and which will be looking after the interests of producers. The proposal has been developed on the basis of animal units producing a certain level of odour. It is my understanding that at this time the council is looking at a proposed by-law, which you probably have in front of you, and each councillor is meeting with two producers in the area. Each councillor is then going to be in a position to receive input from producers, and really it is in the hands of the council.

The Government does not have overriding powers on what they are going to put in place as a by-law. We, as Agriculture, are naturally very upset with the kind of by-law that was passed initially. I can tell you that the Reeve's statement to me was, we do not intend to apply the by-law against anybody other than one individual.

If you look at the original by-law, it was so inclusive and so restrictive that if Joe Blow down the road decided to complain about his neighbour, the by-law was so strong they could not refuse to act so there is a misunderstanding on the council's part about what they intended to do and not really understanding the power of the by-law that they passed. The lawyer who drafted it made it very inclusive, very, very inclusive and very restricted beyond any level of common sense really. We are hoping that communications among all the people involved, Municipal Affairs, Agriculture, producers in the area and the council, that the whole issue can be resolved. I can tell you that we, as the Department of Agriculture, have no overriding powers on them nor does the Department of Municipal Affairs.

**Mr. Laurie Evans:** I appreciate the Minister's comment about the lack of having any power over this. I would just ask the Minister, does he in fact have this discussion paper dated October 3 of this year and would he be interested in a copy? I just would like to read him one item here that really concerns me. It talks about suggested changes.

It says: "Livestock production operations in excess of 10 lws be conditional uses if located within 1,000 feet of a dwelling," etc. At present, operations in excess of 100 are not permitted. In addition, all livestock production operations in excess of 10 lws become conditional uses when located within one mile of Oakbank, Dugald, Anola, Hazelridge, Vivian, Tyndall, Garson, and other areas identified on the zoning map. So it seems to me that this is becoming very specific and very restrictive. I would certainly be more than

pleased to provide the Minister with a copy of this because while he indicates that he does not have control over this, that it is a municipal matter, I would think that he would certainly have some persuasive abilities. I think it may also indicate the necessity of looking at a right-to-farm legislation of some type that it would at least have some overriding abilities when it comes to municipal changes that may well be a disadvantage to the farming community. I will get a copy for the Minister immediately.

**Mr. Findlay:** There is no question that this issue has generated a speed-up activity on our part to look at right-to-farm legislation or ability to protect producers from municipalities doing this sort of action. I guess we are hopeful through the discussions that are ongoing that we can bring some level of understanding and acceptance on behalf of both of the residents of Oakbank and the farmers that want to farm around there.

The number of lwus that you mentioned there, we have talked in terms of a much higher limit of course—100 or maybe higher than that. The discussion is ongoing and we are hoping that process will work in this particular instance. If it does not, it will precipitate even faster action in terms of right to farm or strengthen nuisance Act legislation for the future.

**Mr. Uruski:** Just a few comments in this whole area, just for the Minister's information, in the early Seventies it so happened that the same municipality ran into the same difficulty of complaints against an existing livestock operation and went to court. Rural residential development raised a number of complaints against an existing livestock operation and in fact the courts sided with the complainants and shut the operation down, or at least moved the motion to shut down. We at the time, as legislators—I know the Member for Lakeside was here too—were so incensed at this type of move, and recognizing that the smell may not have been perfect, but the fact of the matter was the livestock operation had been there years and years before, through more than I believe one generation. The amendments that were passed by this Legislature in the early 1970s basically gave the right to whoever was there first to continue the operation, albeit within the current guidelines of environmental standards. But the question of odour was not one that the operation could be shut down.

Just by hearing the Member for Fort Garry commenting about some of the restrictions, clearly these types of restrictions even though statements are being made that they are not going to be utilized against anyone else but one operator, go beyond the bounds of what really should be, in my mind, a question that this municipality should have foreseen and was advised of, I am sure, by planners many years ago that in increased rural residential development will bring about increased conflicts between citizens who have attempted to make their livelihood from farming and those who want to have a rural lifestyle.

The problem usually does not come about with the first subdivision or with the first owners. The problem comes about when that first subdivision is there and

then ownership changes hands. Then a new owner comes in and says, I just do not like that smell. Who in terms of having support—there are a heck of a lot more rural residential development in many of the urban sprawl municipalities than there are farmers. The saying goes, the squeaky wheel gets the grease. I for one, as a rural Member, and am sure many of you, have played a role in the development of the land use guidelines, would say that we have to do whatever is necessary, whether it be through The Nuisance Act, strengthening it, or land use policies to strengthen the protection to existing operations, and the role of municipal councils in future planning. We are guilty of doing some of those things ourselves but they cannot have it both ways. They cannot on the one hand say, oh we want more rural residential development, and on the other hand then say, we are for agriculture. It just does not work. You have to make up your mind which area, which land use you are going to give top priority to.

\* (1620)

In this case, in terms of the amount of agricultural land that is going under the development shovel, so to speak, agriculture has to, in my mind, receive the priority. So the Minister has the views, I am sure, of the Opposition Members and whatever it takes in terms of strengthening the need, that should be taken. But clearly we should not be putting the municipal councils in a position to indirectly outlaw farming operations which were there, and were there prior to rural residential development which they approved. That is the irony of the thing. They approved this rural residential—they had the full say in approving those developments. Now they are squirming because some of those ratepayers who are now in their area are saying, we do not like our neighbours, even though our neighbours have been there many years before, and so close them down. So the onus should be put back on those councils but not to allow them to move these kinds of zoning by-laws to prevent long-time existing operations.

**Mr. Findlay:** I thank both Members for their comments. Certainly I would understand we are all on the same wavelength, in terms of trying to protect the right of producers to continue with farming operations. There is another issue that is also involved here, and that is location of golf courses among our rural environment, and it is very attractive and there are a number of proposals at various stages of being in the works. The one at Petersfield has certainly gotten its fair share of attention. It is on a quarter section that is within a mile to two miles from 15 livestock operations. Sure, the present developers may say, oh, it is no problem, but you know down the road ownership of that golf course is going to change hands and sooner or later somebody is going to start objecting to the fact that there is dairy or hog operations up wind—

**An Honourable Member:** It is affecting their business.

**Mr. Findlay:** It is affecting their business or something like that will come forward. There is no question. Even under The Nuisance Act the producers, those 15 producers will be limited in terms of expansion of their

existing operations. So the farmers have a lot to lose if we do not get something in place to give them the kind of protection from these developments. You can understand the dilemma a municipality is in, maybe a declining tax base or they want to do more things and the tax base cannot afford more taxes so they want to attract development. Development means a higher level of assessment, more taxes and, bingo, you have this conflict.

I do not think there are any winners in this conflict because you cannot satisfy both parties completely in this situation, particularly if urban residents or golf courses want to go out and live in the farm scene where we have intensive livestock units. Eastern Manitoba has been very fortunate in having a large number of intensive livestock units. It has generated a lot of economic activity in eastern Manitoba, but there is the small part of it and I would love to have more of the intensive livestock units in western Manitoba. We do not have the population but the way it is right now, these producers are here and they cannot move their operations, so they got to get prior consideration.

**Mr. Harry Enns (Lakeside):** Mr. Chairman, I appreciate that Honourable Member's opposite correctly have the impression that it is Members of the Opposition who have this opportunity to suggest and provide advice to the Minister. But those of us on the back bench on the Government side have that opportunity too from time to time. It seems to me it is an appropriate time having got just the last part of the comments by the former Minister of Agriculture, my colleague from the Interlake (Mr. Uruski), and I take it similar concerns being expressed by Members of Her Majesty's Official Opposition on this question.

So I make the suggestion to the Minister: Mr. Minister, it is time for bold action. I have given up the hope that we will educate our city cousins, those who come to enjoy the aesthetic value of living in rural Manitoba to the sometimes pungent odour of organic fertilizer being removed from one place to another place, such as the back quarter, or field of alfalfa, but other jurisdictions have moved in this direction and there are precedents being set for us, in fact, even in this country, I believe.

I refer to very specific farmers' rights legislation. I am not quite sure, but one of the Atlantic provinces, whether it is Prince Edward Island, New Brunswick, I believe have enacted that kind of legislation. I know, Mr. Minister, that has been raised at least in the confines of our caucus from time to time. I say that it is necessary because all the other pieces of legislation that we have in place, the planning districts, the planning boards that we have in place, they are subject to change from time to time. They have to reflect and do reflect. Pressure is on them that the Member for Interlake (Mr. Uruski) just quite correctly pointed out. Variances are always made; no plan is carved in stone. If sufficient reason or pressure—people pressure in this case very often—numbers come together, they will affect a variance.

But I think that in a province like Manitoba where agriculture has the problem of still being perhaps the

most important activity and industry in the province, but with ever diminishing numbers of people engaged in it, they will be subject to these kinds of pressures. I certainly want to encourage the Minister of this Government, particularly when he has this kind of expression of support from Members opposite, it seems to me an appropriate, an ideal time, to seriously consider introducing legislation that would for all time, or at least would take a deliberate Act in this Chamber to repeal or to change or to modify, but would clearly and specifically set out the kind of rights that agricultural operations, in my estimation, deserve to be able to operate under.

It is tragic when these cases come up, albeit that they have not come up in that many numbers but many of us, particularly those of us who have had experiences of this nature in their constituencies really have a great deal of difficulty and it is difficult for an MLA to get totally involved in. We tend to count numbers too, come election time. But that particular individual, that family operation, in many instances, second-, third-, fourth-generation family operations, all of a sudden is faced with the prospect of a costly alteration to his operation if not indeed complete closure operations. So I would encourage the Minister without unduly extending the length of his Estimates but to certainly take this opportunity which has been publicly put on the record—a support that is being shown for this kind of legislation, push on, move on with it.

**Mr. Uruski:** Mr. Chairman, I guess the Honourable Member for Lakeside (Mr. Enns) did not quite hear the Minister's comments earlier that he was examining that legislation and in fact did have concerns as expressed by his colleagues from the Atlantic provinces about how much strength he can put on it. In fact, what may be required I guess and, if necessary, is on the one hand strengthening The Nuisance Act. I think those amendments, especially dealing with the precedents aspect and making sure that in all areas that right is protected and that would really give the farmer the right to farm.

\* (1630)

Secondly, in terms of future development plans of municipalities, I know for example the Municipality of Richot was going through the throes of a development plan and on the one hand saying we want to protect agriculture and on the other hand some councillors doing the very same thing, promoting a golf course right amidst operations or the one in—is it St. Andrews Municipality?—the same difficulty. If we have to show greater leadership in terms of land use planning as a province to give guidelines, then I say to the Minister put those guidelines in place with your colleague, the Minister of Municipal Affairs (Mr. Cummings). If necessary, strengthen The Nuisance Act and let us make sure that the farmers who are there have the protection and the areas in terms of future planning.

It is always the future that is the most difficult, in terms of the pressures, that will be on in carving up certain portions of agricultural land that are not deemed useful or good for agricultural purposes. It is usually a stony quarter in a municipality which will have the

bulk of the land, maybe Class 2, Class 3 land, and there is one quarter there that is considered by farmers a rock pile, so why do we not build on it? It is not good for anything else, not realizing in the first instance that once you start there then the pressure builds.

I know my colleague from La Verendrye (Mr. Pankratz), I believe that the Municipality of Hanover and those municipalities, I think the simmering that goes on and the potential conflicts that exist there from many years of subdivisions that have been put on the titles going back to the early 1900s yet. There have been some quarter sections that I saw titles going back many years that have been split up. They may not be developed yet but, by golly, there is the potential of hundreds of subdivision plots that are there. We certainly have no difficulty in strengthening that whole area.

Mr. Chairman, as we move on, I would like to ask the Minister if I could. There has been a trial period, for lack of a better description, the chemical complaint board. Can the Minister indicate what has been the success and what type of cases have come up and what areas are for changes, or what are his thoughts about the workings of that board and his views on it?

**Mr. Findlay:** As the Member knows, there has been a Pesticide Mediation Panel set up with three members on it. They were going to deal with three cases on a trial basis to see how the negotiation or how the process of trying to negotiate a settlement on chemical disputes would work really on a voluntary basis, which is the only way they could operate.

As of this point, they are dealing with three cases and have delivered their report on one case. Really the chemical company to date has refused to respond, as the report indicated, and the other two are still being worked on. I can tell the Member that there was another case where the staff was called in to help in a mediation of a dispute between a farmer and a chemical company, and the chemical company has settled on that case to the staff's satisfaction. Staff believes that, had there not been the formation of this panel and those staff available with those sorts of experiences, I do not think they would have had a settlement in that case.

All we can say is maybe over time, maybe formalizing this mediation process using technical staff will facilitate and speed up settlements where farmers are dealing with chemical companies. If this does not work, naturally, the next step is to bring in some strong-arm tactics, I guess, for this—a choice of poor words maybe. But hopefully, the mediation process will help to resolve these kinds of disputes. Naturally, with the nature of chemicals we have today and with the residue carryover and climatic conditions that are not good for chemical performance, there are going to be more. There have been several cases in the past, and there will be more cases in the future.

As we commented earlier a few days ago when we were in this area, I talked about the problems we were going to face in '89. There are going to be more than ever we have seen in the past, because particularly a lot of pre-emergent chemicals applied for the '88 crop

will not have been activated and the residue level will still be relatively high. So there could be significant cases of crop injury if farmers are not very careful in terms of how they rotate their crops.

I have talked to the staff already about we better be getting good information out to the producers starting maybe February, March and carrying it on through the spring of '89 to keep warning producers of the particular combinations of crop and potential residue that can lead to crop damage. So, we are going to, through the department, through our Extension Branch, do the best we can to keep all the information out there the producers are going to need to make the decisions they make in '89. That is the critical year because of the drought this year.

There have been complaints with performance of chemical, and a lot of those complaints have come forward because of the climatic conditions. It is our job through extension, through the weeds supervisors, through the ag reps and through our technical staff to try to keep telling producers about the limitations that chemicals have relative to drought, relative to heat, which we have seen more than our fair share of in the last year or two. We may well see these conditions again to some extent in '89. We are going to continue to do what we can through extension and education to make producers aware of how to use chemicals in the first instance and, secondly, how to deal with residues that we know we are going to face in '89.

**Mr. Uruski:** Mr. Chairman, just listening to the Minister, I want to indicate that I for one was not a very great enthusiast of this panel. I guess I am concerned about how much it could accomplish but, if it appears to be working on first trial and there have been some successes, then it is at least worthwhile in terms of the processes and the department and the Minister gaining some knowledge about the entire process. It certainly would be my recommendation that you review this probably for another year and then decide whether in fact, using his words, strong-arm, stronger measures are required, and it may have to be required. I have always considered that to make a board effective then powers have to be given to it. That then connotes that, if you do set up a board, the question about legal comeback on behalf of a producer is then limited. If you are going to put it through the board and the board has the authority, then the producer has to make up his or her mind whether they give up the right to sue.

In most instances I imagine, because this is such a highly technical question, the farm community in general I think would be amenable to that kind of a move. However, recognizing that when a farmer loses a crop of what he or she feels is as a result of poor chemical performance, the pressure will be on the board to say that it is never enough in terms of compensation. That is going to be the continued dilemma. I believe that ultimately will have to come about. I certainly support the notion of continuing this on and then seeing what other measures will be necessary.

I would like to ask the Minister about the future prospects of grasshopper infestation in the province, whether he has a report on grasshopper infestation for where were they this year.



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**An Honourable Member:** It is dry.

**Mr. Uruski:** That is the point. It is dry, and they tend to flare up at times when the weather is in fact in these kinds of conditions. Maybe the cycle and the dryness has some impact that we are not aware of, and I would like the Minister to share that with us.

\* (1640)

**Mr. Findlay:** Mr. Chairman, entomology staff indicate that we are presently at the bottom of the grasshopper cycle. The numbers that were around this year in 1988 were slightly higher than they had really forecast, and they are right now doing the egg mass counts to determine the potential for 1989. So that is still an unknown factor as to what the egg counts measurements are. It is safe to say that it did not take many grasshoppers to sort of create a problem this year because the crop was not very high and very thick. There were a few hot spots in the Red River Valley, as there normally are, and dry conditions are conducive to more grasshoppers. So we have to anticipate that there was reasonable egg laying in some locations this fall, but we will know the information in the next month or two.

**Mr. Chairman:** Items 4.(e)(1) to 4.(e)(3) were each read and passed.

Item 4.(f) Marketing Branch.

**Mr. Uruski:** Mr. Chairman, you missed 4.(e)(4), and possibly the Minister can indicate the nature of this portion of the Canada-Manitoba Development Agreement?

**Mr. Chairman:** Order, please. I would just like to advise Honourable Members that there is nothing to pass in the item as the expenditures are offset but, if there are questions, then the Honourable Minister . . . .

**Mr. Findlay:** This is to do with the Northern 4-H Program, with the full-time position at Thompson and the half-time position in The Pas. It involves nine communities with some 244 4-H members and 79 leaders. The communities that have these 4-H programs are Thompson, York Landing, The Pas, Cross Lake, Flin Flon, Sundance, Grand Rapids, Carrot Valley and Gillam. Over the last five years, the number of 4-H clubs starting back in 1983 was 14, 14 in '84, 10 in '85, 11 in '86 and 9 in '87.

**Mr. Chairman:** Are there any further questions on item 4.(e)(4)?

**Mr. Uruski:** Mr. Chairman, before we leave this whole area, there is one aspect of this branch that I did not raise and that is dealing with the offshore employment. What contracts are in place? I imagine that there still is offshore labour coming into our horticultural industry. What is the present ratio and has there been any change to the agreement? I know there was in place a number of years ago upwards of something like 30-odd immigrants were allowed into Canada or one for 30

employees, something of that nature. I would like the Minister to report whether there have been any changes in that agreement.

**Mr. Findlay:** I would tell the Member that in '88 there were 44 offshore workers in the Province of Manitoba involving four farms. The ratio of Canadians to offshore workers is being maintained at five to one. Sometimes, the farmers have some difficulty maintaining that ratio as high as five to one at certain points in time, but generally the target has been met reasonably well.

**Mr. Uruski:** As my closing comments in this section, I would like to take this opportunity to pay tribute to all those 4-H leaders during our 75th Centennial Year of the 4-H movement in our country. The birthplace of 4-H was Manitoba, in fact, the community of Roland. The thousands of volunteers who have led our youth and assisted our youth in greater community leadership and development, we owe our tribute for their many, many hours of hard work and caring for our young people.

I am sure the Minister and all of his staff who provide the support to the 4-H movement, I would like to add my congratulations to them and wish them the very best on behalf of all of us here for the years ahead, and take this opportunity to participate in their 75th year. There was in my community—I did not have an opportunity to participate in any of the celebrations in Portage La Prairie, but I did have the fond occasion to be part of the agricultural fair in the Interlake in Arborg in which a number of the 4-H clubs in the area were recognized and participated in that fair. I, as one Member, would wish to pay tribute to the movement and wish them the very, very best in the years ahead.

**Mr. Chairman:** Item 4.(f) Marketing Branch: (1) Salaries.

**Mr. Laurie Evans:** This is one of the smaller branches and, to me, it is one of the more difficult ones to get a firm grasp of exactly what is being expected here. I was wondering whether the Minister could give us—

**An Honourable Member:** Call him Slippery AI.

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

**Mr. Findlay:** I would just like to introduce Al Gascoigne from the Marketing Branch.

\* (1650)

**Mr. Laurie Evans:** Getting back to the question, I was just wondering if the Minister could give us a little outline in terms of the—under Objectives, the point is identifying and developing new markets. I was wondering whether a little perspective could be given as to exactly what had been accomplished in recent years in terms of the identification and development of these new markets. What products were involved and where were they actually marketed?

**Mr. Findlay:** Certainly the question that the Member asks, you could take half an hour answering it because

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it is a wide variety of activities that the department is working with, various entrepreneurs and marketing boards in terms of trying to develop new markets and meet the requirements of those markets with regard to the commodities we are producing. I can tell the Member that there is certainly no end of opportunity through marketing of the quality of products that we produce in this province, from grains through to meats, honey, there is just no end of opportunity.

Many provinces in this country and there are many countries around the world are competitively after, particularly the markets in southeast Asia. I see great opportunity for us as a province to improve our exports into that part of the world. As I have mentioned in previous times in this House during Estimates, we have what I would call a high level of interest from Japanese individuals. The former Minister was over there last fall for a 14- day or 16-day mission and generated additional sales. There is a high level of interest in getting a delegation back there again fairly soon because there are real opportunities there. I can assure the Member that there are a number of entrepreneurs of small groups of people in this province who are looking at promoting their product in the export market. The Marketing Branch is the vehicle to assist them.

Some of the commodities that we have been involved in, just to give you a quick list: pork cuts to Japan, Chinese sausages, swine breeding stock, beef cuts, beef breeding stock, beef cattle—we have had breeding stock going to Mexico and there is another shipment that is going to occur very, very soon—forages to the United Kingdom, animal feed and bird feed to the United States, turkey to Japan, pheasants and partridges to Japan, Cornish hens to Japan, honey to Japan and Denmark, special crops, particularly canola, flax, buckwheat to Japan, wild rice to Europe, vegetables, various fruits and nursery stock.

You may have noticed, I mentioned Japan fairly often. I will just tell the Members that on the buckwheat situation, about a month ago or five weeks ago a delegation of some eight individuals from Japan were over here viewing our buckwheat crop for this year. I was amazed at the amount of time and effort that they spent here. They spent I believe 10 days here in the province touring around and travelling. These are the buyers who come annually. I mean in 10 days just inspecting our crop when it was close to harvest I thought was putting a lot of attention to it. They went from here to Chicago, to San Francisco, to Hong Kong, and back to Japan. Unfortunately, one of the planes went down on the way back and two of them were killed. They spent a lot of time and effort looking at where their products are coming from. They are a tough market to crack but I think the kind of entrepreneurs we have here and the kind of quality of product seems to have attracted their interest. I think we have some great opportunities in the Japanese market.

**Mr. Laurie Evans:** Could the Minister give us an indication of the percentage of the effort that goes into promotion at the domestic level as opposed to that which goes into promotion of Manitoba products internationally? I guess the other point I would like to make at the same time is could he give us an indication

as to how we break down in terms of proactive versus reactive involvement in this type of promotional program?

**Mr. Findlay:** I think it is fair to say that possibly a third of the effort goes for domestic promotion and about two-thirds into export promotion. As far as proactive and reactive, probably it is about 50-50. Certainly, any time you are on a reactive sort of activity there is always the opportunity of being proactive on some other commodities. I am sure the Minister, when he was over there in '87, probably found that out that you are going with certain ideas in mind, certain initiatives you want to get involved in and you get over there, there are other things I am sure come to mind and developments maybe not have happened then but will happen further down the road.

I have talked with various entrepreneurs who are involved in trying to crack that market and they say the first thing you could do is you go and deal with them as people, as friends. You do not take your order book with you. You go and make your contacts and develop a relationship with them and your order book work comes later, but you do not take it out first and start saying what do you want? You work, develop your contacts and I think it is very important that we, as a province, keep those contacts and be proactive in terms of promoting and opening the doors for our entrepreneurs, for our exporters, and that is the way we can certainly facilitate more export activity.

**Mr. Laurie Evans:** I would like a comment from the Minister in terms of the adequacy of the size of this department. It would seem to me that the job that needs to be done may be far greater than one can expect to be done by such a small staff. I am wondering whether the Minister visualizes some change in priorities in terms of the level of effort that goes into the marketing end as opposed to some of the other areas in the department. I am certainly not promoting the idea of reducing some of the others necessarily, but it would seem to me that this one may be one that a staff of four or five professional people, I would think, are being asked to do an awful lot and I would just like the Minister's philosophical views on that.

**Mr. Findlay:** Just very briefly—seeing as it is close to five o'clock—certainly the marketing area is one area that I have a strong desire to increase our efforts in, there is no question. I think that we have great gains in terms of the economic activity in this province, that we can promote our products on the basis of their quality around the world. But certainly four staff is not a lot of staff and it requires that we must focus what markets we are going to put effort into. We cannot just take a shotgun approach and go all over the world looking wherever we can scare up a market.

We have to focus on highly promising areas with highly promising products. I mentioned southeast Asia and I mentioned Japan fairly often. I think there certainly is an opportunity to focus there with a variety of commodities but pork is probably No. 1 in terms of opportunity in that market. Breeding stock, there is good opportunity there. So I think we need some more

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effort and some more staff years eventually in this department somehow in the future, but if we focus our efforts and work as well as we can with the private sector, I think we can get a lot of mileage for a small number of staff years.

**Mr. Chairman:** The hour being 5 p.m., I am interrupting proceedings for Private Members' Hour. Committee of Supply will be returning this evening.

Call in the Speaker.

\* (1700)

### IN SESSION

**Mr. Speaker:** The hour being 5 p.m., it is time for Private Members' Hour. On the proposed resolution of the Honourable Member for Dauphin, the Honourable Government House Leader (Mr. McCrae), on a point of order.

**Hon. James McCrae (Government House Leader):** Regarding House Business, Mr. Speaker.

**Mr. Speaker:** Regarding House Business.

### HOUSE BUSINESS

**Hon. James McCrae (Attorney-General):** Mr. Speaker, I would like to announce that the Standing Committee on Public Utilities and Natural Resources will sit tomorrow morning at 10 a.m. to consider the Report of the Manitoba Public Insurance Corporation and, if necessary, on Thursday and beyond if necessary so that Honourable Members can have in their hands the Kopstein Report.

### PRIVATE MEMBERS' BUSINESS

#### RES. NO. 5—RAIL ABANDONMENT

**Mr. Speaker:** On the proposed resolution of the Honourable Member for Dauphin, Resolution No. 5, Rail Abandonment. The Honourable Member for Gimli will have four minutes remaining.

**Mr. Edward Helwer (Gimli):** Mr. Speaker, again I want to thank you for the opportunity to speak on this important subject, because it is an important subject for us in rural Manitoba and throughout especially the Interlake area.

When I was speaking some time ago on the branch line abandonment or rail line abandonment issue, I had mentioned that the federal Government, federal Department of Transport should be responsible for some of the roads in the rural area or the highways. Since that time, Mr. Bouchard, the federal Minister of Transport, has announced that they will guarantee assistance for trucking for these off-rail points, for these off-rail elevators until the year 2000. They will also offer some assistance to the provincial Governments and the municipalities to keep the roads or upgrade the roads so that they can stand the heavy trucks that now

haul the grain from these elevators to some of the other elevators.

I still believe though that the railway is still the lifeline for some of these communities and I think there could be other alternatives. As an example, in Alberta, Tom Payne has operated a short-line railway whereby he has taken over some of the rail lines from some of the major railways such as C.N., C.P. and brings the cars into a major distribution point with a short-line railway with just one locomotive. This has worked quite well in places in Alberta. There are of course some instances where this may not be feasible where there are extensive river crossings or bridges or things of that nature whereby these could make these lines just not feasible to keep up. But in places in Alberta, it has worked very well. He is doing it competitively and he has been making money. He also has been running into some problems where he has had to take over the union contracts for some of these branch lines but he has done that, I believe, and it has been quite successful.

In another example, in Annapolis Valley in Nova Scotia, the provincial Government there is financing an experiment on a Dominion-Atlantic Railway which is just a short-line railway from Yarmouth to Kentville, which is another branch line there, and it seems to be working quite well. So there are other alternatives and I think, before we go on a rash abandoning procedure, all these options should be looked at.

I just wanted to mention the line up to Gimli. This line is, I think, an important line to an industry we have there, Seagram's of course. I think that, under the new Free Trade Agreement, this is going to open up new opportunities for this plant, although the spirit industry is diminishing somewhat but there are other possibilities. They have the bottling plant there, they have everything there. I think, under free trade, we possibly could get other industries in there that could keep this plant busy and also increase the traffic for this branch line so that we could continue to have this for many, many years.

I just wanted to mention one thing that the elevator companies are really not trying to promote.- (Interjection)- Is my time up, Mr. Speaker?

\* (1710)

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

**Mr. Ed Mandrake (Assiniboia):** I am pleased to be afforded the opportunity to speak on this resolution.

I have spent considerable time reviewing the speeches which the Honourable Member for Dauphin (Mr. Plozman), and the Honourable Minister of Transportation (Mr. Albert Driedger), when they addressed the resolution on rail line abandonment. What I find most appalling is that when the Honourable Member for Dauphin was in Government as the Minister of Transportation, what did he do to alleviate this problem?

Rail line abandonment is going to be with us whether we like it or not. Is the farmer going to continue to subsidize our rail lines because some politician says

that we should keep this or that line open? Whenever a rail line is open for abandonment, the Government of Day should sit down with the officials of the railway, local officials and farmers, discuss the abandonment with an open mind, not a closed one. How will it affect the area, what type of commodities are transported by the railway to this community, etc.? If it is discovered that the cost of that particular line is above the national average, then maybe the Government should look at other means of transportation. I will allude to one.

Manitoba Pool Elevators will be operating an off-track elevator in the Inwood and Winnipeg Beach subdivision until it is no longer economical to do so. A producer trucking program will then be put into place into the year 2000. Under the off-track elevator concept, producers continue to deliver to the elevators. The grain is then moved by commercial truck to truckside facilities. An off-track elevator demonstration project was established in November '86 in the Inwood subdivision to examine low cost practical options to branch line abandonment. The rail line remained in place while the administration project was under way.

The Winnipeg Beach subdivision was one the six lines included in the high cost branch line study conducted by Dr. Jim Leibfried for the Senior Grain Transportation Committee. Dr. Leibfried recommended that the SGTC agreed that the line should be abandoned as soon as possible or as practical, that an off-track operation as long as it is economical, and that a producer trucking company then be put into place. The annual system savings which will result from the implementation of these two projects will be \$1.4 million and that is a saving for the farmer.

My concern is the \$2 million which I had alluded to earlier. I was unable to find even one penny being allocated to the province for the upkeep of their highways, which these commercial trucks use for grain transportation. During Question Period, I had asked the First Minister (Mr. Filmon) about compensation for our 1,170 kilometres of rail line abandonment. He responded by saying the First Ministers passed a communique indicating that a national highway policy should become part of a federal Government program for the sake of fairness, so that they do not just deal on an ad hoc basis, building highways in some provinces but not in others.

Yet when the Transport Minister, Bouchard, and the Honourable Felix Holtmann announced the \$2 million to ensure grain transportation services for the off-track operation, did he insist that a portion of that \$2 million go for road maintenance? No, he did not.

The Western Grain Transportation Act makes farmers responsible for all costs of shipping grain over and above the federal commitment. Consequently, the farmers' costs for shipping grain could rise sharply. There are almost 11,000 miles of branch lines in the Canadian Wheat Board designated areas. Out of these, 6,850 miles are defined as grain dependent. The cost of shipping grain on these grain-dependent lines ranges from about 2 cents to \$3.40 per metric tonne mile, or just under 1 cent to about \$2.33 for each bushel hauled for 25 miles.

The costs of each branch line need to be examined individually and compared with the costs of specific

alternatives to be certain where net savings for farmers could be achieved. If a higher-cost branch line is removed from the grain-gathering network, the total freight costs are reduced accordingly. Thus, all grain producers in western Canada receive the benefit of any cost saving from eliminating a high-cost branch line. The saving would include all costs associated with any grain-dependent line removed from service, such as ownership, maintenance costs and property taxes. There will be other savings as well. For example, changes in train operations on lines remaining in service would result in larger trains and faster average turnabout times for cars.

While there is a real potential for cost savings through the removal of a high branch line from service, it is recognized that this could only result in a higher cost for farmers who previously delivered grain to points on the line. Therefore, any consideration of the possible benefit of removing any branch line must and will include an examination of possible adverse effects such as higher trucking or road costs. The goal must be to minimize the overall cost of moving grain from the farmer's bin to export position without causing undue hardship to the farmer.

The Honourable Member for Dauphin (Mr. Plohma) had made several remarks about the closures of elevators. Now, may I bring his attention to the elevator in Manitou which cost a grain company \$1.2 million to bring it up to standards? Now, is the Honourable Member for Dauphin telling this House that all the grain elevators which he had alluded to in his speech should not be closed? Should each of these companies be spending \$1.5 million for each elevator so as just to please him? I say no.

Here I have before me a letter from the Manitoba Pool Elevators. This is what they have said: "In the past eight years, Manitoba Pool Elevators has invested \$63.5 million in capital improvements, the majority of which has been spent on country elevator facilities and equipment. These costs cannot be covered without increasing the volume of grain through each of these modern facilities. Manitoba Pool Elevators have built new facilities at Westroc, Burnside and Tucker. These are all new elevator locations where no elevators were present during recent years." They say, "We also have rebuilt or replaced elevators at Elie, at Oakville and renovated elevators at Katrime and MacGregor. During the same time, we have closed elevators at Longburn, Oakland, High Bluff, Portage because of a fire, Langruth, Amaranth and Edwin." It only stands to reason that they would do that because it is a lot easier and a lot cheaper to transport the grain to an elevator which can handle the volume.

Mr. Speaker, let us not have a holier-than-thou attitude but be realistic and say who is going to pay for these elevators. It is not going to be you and it is not going to be me, but it is going to be the farmer. Is this what the Member is advocating? This year was the most disastrous year for the farmers in the Province of Manitoba. Yet we want to saddle him with additional costs.

Let the farmers decide whether this approach to good business would be of benefit to them. I am sure that

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if it were explained to them in that vein they would agree that the elevator should close, and the infrastructure be put into place so that the grain could be transported to the nearest elevator with compensation to the farmer and the province for road usage. Thank you, Mr. Speaker.

\* (1720)

**Mr. Harry Harapiak (The Pas):** I am pleased to have an opportunity to participate in the debate of this resolution dealing with rail line abandonment. I guess I have a vested interest in this subject because I am a member of the farming community, which is going to be affected to a very large degree by rail line abandonment. I am also a railroad worker by trade, so I also know that there are going to be less jobs available to some of my colleagues when the lines are abandoned. When we look at all the resolutions that are raised by the Member for Dauphin (Mr. Plohman) and all the WHEREASes, but he mentions how much it will be affecting our entire community. I think we have to have a very rational look at how this will be affecting our country as a whole, and it is a subject that is worthwhile debating.

I want to take a little bit of exception to the previous speaker who spoke and said that we did not do anything about this when we were in Government. I want to tell him that the Member for Dauphin (Mr. Plohman) who brought this resolution forward was probably one of the most aggressive Ministers of Transportation that this province has ever had in fighting for the protection of the railroads in Manitoba, fighting for the Port of Churchill, and continuing to fight for retaining some of those rail lines that were up for abandonment. It was through his efforts that the lines to Winnipegosis and Cowan sub were given a stay of execution, some people would say, to carry on with their transportation until a later date.

I know that the Member who raised this from the Liberal caucus should also be aware that it was the federal Member for Fort Garry, the Minister of Transportation, who started this whole rationalization of the rail line abandonment. John Crosbie when he took over as Minister of Transport for the Conservative Party—or Mazankowski—carried on with the works that were put forward by the Member for Fort Garry.

I know that we felt we should be coming forward with a more rational approach to rail line abandonment, and we should be taking it into consideration how the different levels of Government would be affected, and they would be affected. We, therefore, felt that they should be taking part in —(Interjection)— the Member for Pembina (Mr. Orchard) seems to be very upset over some subjects so maybe he needs to get up and debate this subject as well. I would hope that he would stand up and give us his thoughts on this subject, because I know that he is extremely perturbed about it at this time.

When we said that we would want to have a more rational approach to the rail line abandonment, we said that all of the affected people should be taking into consideration. I know that one of the things that was

not considered was how communities would be affected by the abandoning of these lines. Having worked in one of the areas where the rail line was abandoned, even though it was not a line that carried grain in the agricultural part of the province, it has affected the province.

I think if we wanted to have a measuring stick on how the highways would be affected, we need to go to northern Manitoba where the Chisel Lake line was abandoned. It was servicing the mines of the Hudson Bay Mining and Smelting in Chisel Lake. It was the Chisel Lake sub that was abandoned because the concentrate of the ore was being hauled from Chisel Lake slowly to Flin Flon. Because of the need to rehabilitate a couple of big bridges on that Chisel Lake sub, the CNR made the decision to close that line down. That contract was tendered out and a trucking firm was successful in getting the contract.

Now we see the results of rail line abandonment in that area. The highways are taking an awful punishment, and I am sure the Minister of Highways (Mr. Albert Driedger) of the Province of Manitoba, if he would take a tour of northern Manitoba, would see what a detrimental affect this will have on the highways in all parts of the province. This is a first step. We can go and see how it has been affected in the Flin Flon area, and then we will have a good indication of what will happen to the rest of our highway system in Manitoba when we start handling all the grain. When you start handling the grain, it is a comparable weight to the concentrate that is being hauled in northern Manitoba. I know that the highways will be pounded out and there is not only going to be a great cost to the Province of Manitoba because they are going to have to maintain and upgrade the highways, but there is also going to be a great cost to the municipalities who are also going to be faced with additional cost to their road system.

I think that we should really be concerned when you see a recent article that was given by the federal Minister responsible for Transportation at this time when they said that they have scrapped the plans to put a moratorium on branch lines. I think that he should be considerate and take into consideration some of the additional costs that the province and the municipalities are going to be faced with and have some rational approach to it.

I guess one of the things that really upsets us is the fact that this was put out more than a week ago, and yet we have not heard a word from the provincial Minister of Highways (Mr. Albert Driedger). He knows that there is going to be a great effect on the highway system in Manitoba. When the Member for Dauphin (Mr. Plohman) was responsible for the highways in the Province of Manitoba, he raised this issue at every meeting that he attended with the federal Ministers. Any time there was a meeting with the provincial Ministers that he was meeting with them, this subject was raised and he raised it very forcefully because he knew that we, as a provincial Government, were going to be affected and the provincial taxpayers were going to be footing the bill for rail line abandonment.

Where is this Minister of Highways at this time? Not a word. So I guess he is not concerned. I am surprised

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that some of the rural Members of this Cabinet—and they make a lot of noise about what a strong rural representation they have had. Apparently this is not one of the concerns that they have because we have not heard a bit of noise from them on why we are going to be affected, how we as a province are going to be affected by the rail line.

I guess one of the things that concerns me is when the Minister of Highways, during Estimates, raised some of the problems of high water levels in northern Manitoba, the need for some flood protection. He said, your approach is all wrong. You always try to go in there with a big stick. We are going to go in there with a soft-shoe approach and we are going to get results. Well, I will tell you, they have not been showing us much signs of results up to this point. I guess the soft-shoe method does not work either, because they certainly have not been getting any results on their approach on some of the issues that we have been raising as a provincial Opposition.

So I would hope that the Minister of Transportation would screw up his courage and start making some presentations on behalf of the Province of Manitoba. I know that the Minister of Education (Mr. Derkach) comes from an area that is going to be affected by rail line abandonment. He does not seem to be making too much noise about the effects that it is going to be having on his constituents. Maybe they have made some deal that—(Interjection)- I never pretended that I could speak for his constituents because the Minister of Education cannot even speak with his constituents although he is in that area. I have enough difficulty speaking for the constituency in The Pas, so I do not have to take on the responsibility of looking after the constituents of Roblin-Russell.

\* (1730)

I am sure that before this debate is over that the Minister of Education (Mr. Derkach) will rise and speak on how his constituents will be affected by this rail line abandonment because I know that we have had some first-hand evidence of how some of those areas will be affected. In speaking to the abandonment of council division, I noted there was a committee struck to deal with abandonment of the town subdivision. There was not any consideration taken into what the bridge traffic will be, how much of a benefit it was to the railway, how much that amounted to for source of revenue for that rail line.

I know that there is a lot of pulpwood hauled on that subdivision. There is a lot of heavy machinery, fuel, chemicals that are hauled on that subdivision, because I was fortunate enough to have worked on that concept for a period of time, so I know how much effect it would have on those communities along that council division. I would hope that the Member for Swan River (Mr. Burrell) will speak up for his constituents, because that falls into his constituency. I am sure that before this debate is completed that the Member for Swan River will also rise and urge the Minister of Transportation (Mr. Albert Driedger) for the Province of Manitoba to make strong representation to the federal Minister to make sure that we are heard and there is no abandonment made on that subdivision.

I think that we have to be making strong representations to the federal Minister because it has been clearly shown that the life of the community begins to fall away when a rail line is abandoned; the elevator is the next thing to go, and the next thing you know the fertilizer plants are closed down. I guess another example of the abandoning of the small communities is the post office, the line are taking the post office. I think it all adds up to the death of the small community, so I hoped that the people who pretend to speak for the rural parts of Manitoba would stand up here and give us the support of this resolution which is required.

It would be great for these people to stop apologizing for the federal Government for a change and start making some strong representation on how we as Manitobans are affected. The Minister of Highways when he spoke accused the former Minister of Transportation, the Member for Dauphin (Mr. Plohman) for going after the federal Minister with a big stick. You are never going to get results in that way, he said. I know that if the Minister of Transportation, the Member for Dauphin, did get results when he was the Minister responsible for Transportation, and I hope that this Minister of Transportation we presently have would quit apologizing, start getting aggressive and start making some strong representations on the part of the Province of Manitoba. It is too big a loss for all of Manitoba, the small communities are closed down and they will not continue to function if the rail line is abandoned. I hope that before the debate on this resolution is concluded that they will come.

I know that the Member for Lakeside (Mr. Enns) who never hesitates to get up and speak on any subject will get up and give us a professorial presentation on how the rail line abandonment will be affecting his community. I know that the Communities of Gimli are going to be affected and Fisher Branch and many of those small communities that he represents so ably will be represented. I am sure that the Member for Lakeside will urge some of his colleagues to stand up and speak for Manitoba and make a strong presentation to the federal Government. Thank you.

**Mr. Harry Enns (Lakeside):** Mr. Speaker, seldom have I received such an invitation to utter a few words on a particular resolution, but I will attempt to live up to those expectations as expressed by my friend and colleague in the House, the Honourable Member for The Pas (Mr. Harapiak).

Rail line abandonment has been with us since when? Since it stopped paying money to the owners of the railways to haul freight. It is just that simple. Rail line abandonment has become a governmental issue, principally the federal Government, since the federal Government, through the highly regulated transportation system has poured more and more tax dollars into the support of the railway systems, right? Mr. Speaker -(Interjection)- well, the Honourable Member for Lakeside (Mr. Uruski) suggested that it would be a professorial type of a presentation, and I am just -(Interjection)- Oh, the Member for The Pas (Mr. Harapiak)—I am just carrying on in that vein.

Then, Mr. Speaker, as tax dollars, no matter administered by whom—by a federal Liberal

administration, by a Conservative administration—and yes, I would suggest it would have even happened under, God forbid should there ever have been a New Democratic Party administration in Ottawa, but they too and perhaps they would be foremost in pressing for the rationalization of the railway system in Canada, because after all they lead us to believe that their priorities of tax monies lie not in concrete, not in bricks, not in mortar, not in such things as railways but in the social programs that they like to pride themselves in as being first and foremost of the political parties of this country as having prioritized them as on the top of their list of things to do.

Mr. Speaker, any Government, any Party that sees millions and millions of dollars, indeed billions of dollars being spent in what can only be described as a wasteful manner, has to have the political courage sooner or later to deal with it. So, that is what we are seeing, and that is what we have experienced in the last decade with respect to the railway abandonment.

I applaud the Honourable Member for introducing this resolution at this time. I can not agree with it in its totality because I can not agree with a clause that says: "THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the Government of Canada to prohibit any further branch line abandonment in western Canada this year."

That kind of a total and complete prohibition flies against the face of reality. It flies against the use of harder-and-harder-to-find tax dollars to some of the pressing and more important matters involved in governing this country. While I express general support for the resolution or its timeliness—and I want to deal with it and that is really the only issue that I want to deal with with respect to the timeliness of the resolution—is that there a particular reason why it is appropriate to raise it and why it is appropriate that we discuss the problems of rail line abandonment at this time.

Let me just go back a little bit. There was perhaps a time not that long ago where the railway industry in Canada could have maintained itself in a healthier position. I refer specifically to recommendations and suggestions coming from all places but from that bastion of Conservatism, Alberta. In the early Seventies at one of the few attempts—I think it was the last attempt made by that Liberal Prime Minister, Pierre Elliot Trudeau—at some acknowledgment of the problems of the West, when at an economic summit conference held in Calgary, at which I was privileged to be an observer, the suggestion was very seriously made by Transportation officials, by the Deputy Minister of Highways and Transportation from the Province of Alberta, that what ought to be considered in Canada to maintain life and to maintain economic viability of the railway systems of Manitoba is that the rail beds ought to be nationalized. Mr. Speaker, this coming from a Conservative administration, from the heartland of Conservatism in Alberta, suggesting a massive nationalization of a private utility. He was talking about the advisability of nationalizing all rail beds and then leasing them back to the users, whoever they may be, principally of course the CPR and the CNR, but not exclusively.

\* (1740)

Mr. Speaker, the position was put forward that it could be quite possible that a smaller transportation user or systems that perhaps would lend themselves to day commuter services, particularly in those areas servicing the larger metropolitan area centres; a day commuter system from Selkirk into Winnipeg, or from Morris into Winnipeg, or along the No. 6 Highway, that line that runs all the way up through to Grand Rapids, but from all those communities all the way up to Lundar just about that have a high percentage of people daily commuting into Winnipeg along the highway, could be plugging in their cars using the existing land facilities where former rail stations, small stations—the line is still intact—could leave their cars there and jump on a day liner being dropped off at the St. James Bridge at Polo Park and coming into the city that way.

Mr. Speaker, I suggest that we lost that opportunity because I thought, quite frankly, that was a very worthwhile consideration, a very good consideration. There were some good reasons for it. The movers of this position cited the fact that we as general taxpayers, we build and are responsible for the major highways that we move our truck freight on. We are responsible as taxpayers generally to maintain and build our airports upon which we move our ever increasing air traffic. We as taxpayers maintain—we try to maintain with some great difficulty in Manitoba—our ports and harbour systems. That is not a big ticket item in Manitoba, but I assure you that along the communities of the Great Lakes systems, the St. Lawrence Seaway itself, Vancouver ports on the Pacific coast, in the Maritimes, Montreal, Quebec, the National Harbours Commission is a major spender of Canadian taxpayers' dollars in maintaining those facilities—on whose behalf? So that shipping companies can tie up their boats and take on freight, so that passengers accompanying the boats can unload and take on passengers, that airplanes can land safely with modern and the latest technology available to them.

Who hires the airport controllers who guide the air traffic in our skies? The federal Government of Transportation. We, the taxpayers pay for that. But we have expected, because of the way railways evolved in this country, that the CPR or the CNR, the national company, has to pay for every extra gang that works on every 10 or 15 miles of track. They are responsible for all the signalling along that track. They are responsible for all the upgrading of that track. Over the years, with the competition in the transportation system, with an aging system, the railway systems have fallen into difficulty in those areas, particularly on those lines that have less than the optimum amount of freight tonnage to be moved or passenger service to be moved. So we have rail line abandonment.

Mr. Speaker, so much for the short history lesson on the railway development and some of the missed opportunities that we in Canada might have corrected had we had the political courage at that time to take them seriously and, in fact, implement them. I would put on the public record the name of the particular Deputy Minister that I can well recall. His name was Mr. Peacock, I believe, from the Province of Alberta

who presented this position in what I believe to be a well-researched, in-depth paper to that economic summit conference held in Calgary in the years 1971 or 1972.

However, as I have already stated, that option was not acted upon and the problems of uneconomic rail service has grown to ever-increasing proportions since that time.

Mr. Speaker, I mentioned a little while ago that I support the timeliness of this resolution. I do so for the specific reason that the present federal Government, that it appears now virtually certain will be re-elected with a substantial majority of Canadians on November 21 for all the right reasons. Any objective analysis of the Government's first term in office shows a degree of sensitivity to regional needs that has never been exhibited, certainly not in my lifetime, whether it is to the unique and specific problems of western agriculture or the unique and specific problems of energy or the unique and specific problems of transportation.

Not to abuse the Rules of the House, the reason I support this resolution or the timeliness of this resolution is that sensitive federal Government has finally come to grips with the transportation system in Newfoundland and said it is absolutely nonsense to waste the kind of monies that have been wasted in trying to maintain a railway system in that province, and they made a deal. Certainly from what one would have to believe with the understandable expressions of nostalgia or concern you hear from that province, about the loss of them, they are only a railroad, "The Bullet" I think it was called. One would certainly have to believe that the solution arrived at with respect to the rationalization of the transportation system in Newfoundland is generally acceptable to the Newfoundlanders and obviously to the federal Government.

Now, Mr. Speaker, yes, that is why this resolution has merit, that is why this subject matter has merit to be debated, and I do congratulate the Honourable Member for Dauphin (Mr. Plozman) for allowing us that privilege by means of introducing this kind of resolution.

It is now incumbent upon this House, upon all Members of this House to insist, to encourage our Minister of Transportation (Mr. Albert Driedger) to use all the influence he has to bear and it can be strengthened by an all-Party support on this matter that we are provided and treated fairly in the same manner that the Newfoundlanders are being treated in this manner; that we have some consideration for the 1,100 plus kilometres that have already been abandoned in this province and, surely, of any that are being considered that this province be reimbursed so that we can build the kind of highway systems, the kind of bridges, the kind of network that we will have to build to keep goods and freight moving in this province. Thank you, Mr. Speaker.

**Mrs. Gwen Charles (Selkirk):** I am very pleased to be able to speak on railways in general. As I was sitting and listening to the Member for Lakeside, I was thinking how I do not seem to have moved very far away from railways. I grew up in a small town in Ontario with a

great history of railways. In fact, my grandfather was a brakeman on the railway. Our small town that my grandfather lived out of was called Black Water—a spot which no one would know or recognize by its name, but indeed would be well known by those in the local community and by the famous author Stephen Leacock who very many times would stop there or definitely would pass through there on his way from Toronto to Orillia. In fact, I am very pleased to have the chair that my grandfather used in the caboose. It was given to him on his retirement and I still have possession of that chair, and so the history of railways in southern Ontario will be handed down in our family as a legacy. There is always, as in all antiques, interesting spots. On the one rung it is eroded where my grandfather would light the matches for his pipe.

\* (1750)

I then moved to Belleville, Ontario, which is a community, as I have said before, very much like Brandon, that was founded on the railway system coming through the town and I did not live that far away. In moving to Winnipeg shortly after coming here, I lived in St. Norbert in which about this time of the year we would, when we heard the whistle blow, go running for all the pictures and anything fragile in our townhouse because the sugar beet train coming past would rumble everything off the walls.

Now, of course, I live in Selkirk which, at the end of our street, has a railway line going past and the elevator standing there beside it. Now my concerns are for my children who have to cross the railway every day going and coming from school, although I think back of the many, many times where we walked up and down the railway lines to my grandmother's and back again. Back then when being young, it did not seem dangerous. Now, of course, I look at my children and wish the lines were more secure so I would not have to worry about them.

I think a Member in this House today has mentioned that we are talking in railway systems of perhaps an era of small town, rural Manitoba, and of Canada. Things in rural Canada are changing. We have had discussion in this area on the post system that we should have for the rural Manitoba and rural Canadian systems, and we have talked about urbanization in this House and how people are moving away from the small towns. I think that is going to be the question directly that we will have to face as Governments and as political Parties for the future of Canada, will we or will we not support the small town Canada as we have known it in the past?

The history of railway lines was a development of the Canadian west and certainly as a so-called Easterner that was our history lesson of how the railway line came across and how development came off the railway lines.

As the world does, it grows and progresses and we have developed now, not a railway networking system, but a highway system which has risen to compete with our railway lines. Standing, of course, in the way of development for the railway system and competing with it, these highways in many cases have taken on a new



type of locomotion. Instead of on the tracks, we now have it on wheels and indeed it is not that unfamiliar to pass piggyback transport systems much along the lines of how railways and trains grew, the adding of trains and of cars as they needed to haul freight cheaper and cheaper, faster and faster.

Certainly railways in many communities were the centre of development. The elevators out West grew up alongside of it, communities grew alongside the elevators and home towns are seen with their school yards and their cemeteries, the good and the bad of all that life is. Now we are looking at a change, and change is never easy to accept. We are looking at a lifestyle that perhaps is old fashioned, but one we still want to maintain, and I think that is the discussion point here as much as anything else, is what is the cost of moving on to a new generation, a new century.

We have to decide in this House whether we want rural lifestyles to be maintained, whether that is an essence of Canadianism that we want to maintain at all costs; or whether we want to be productive and modern and move into the towns and the cities and grow in that way. I guess we all hope, especially we on the Liberal side, that there is some compromise between the two extremes, that in some way we can keep our small towns and yet allow us to grow into the 21st Century.

We have to look at what we are supplanting the railway lines with. If we allow them just to die, the community, of course, is going to die with them. We have to determine whether that is right, whether we have to amalgamate three towns, or whatever the numbers may be, so that can be well served by a transport system. We have to decide, as the Member for Lakeside (Mr. Enns) discussed, whether we can reuse our railway systems. Certainly it has been discussed over many years from the train going from Selkirk to the city whether, indeed, that could not be made into a commuter's train, and take the population density that is growing there, and move it down into the City of Winnipeg with stopping points, because it is down the main highway of the city, that it could be stopping at the major bus routes within the city.

So I think we have to be innovative, not only with how we are going to amalgamate communities to best serve what is there and how we could possibly reuse track systems. But most of all, of course, if the decision is made to abandon rail lines we have to decide what the cost of that is. As has been pointed out time and again in this House, it is not just the costs to the community but certainly that, but also the cost to the communities that have to pick up the cost of the highway system.

So I do not think we can allow, nor should we allow, the railways just to be shut down without some benefitting support in cost ratio. If we lose something we should have to pick up and be supported by the federal Government in some other way. Certainly the Province of Newfoundland is well recognized at gaining somewhat equal cost benefit from shutting down the railway line, and picking up other support for other needs further on in the transport system. I think we have to look at what we are doing with the lifestyles

in those communities. We cannot just shut down a community and allow it to die. We have to offer alternatives to it.

If we take away post offices, if we take away railways, we are taking away the essence of rural life as we know it now. That is our decision in this House and in other Houses of Parliament across Canada, and what we want to do with the rural lifestyle of Canada.

So I think it is not just a discussion on railway lines, but a discussion on how we see the future of Canada taking place. As I have said many times in this House, coming from a small community, I think the benefits and probably many of us have experienced those benefits of growing up in small communities, of the small "c" cooperative efforts that communities put forth, of the volunteerism that small communities put forth, of the moral standards that small communities support each other with, is something that has made us unique in the world. If we are about to give those up, I think we must be prepared for what we have to take in place of those. We must stand as Legislatures and be very aware of what we have to pick up and what those costs will be.

I think it is also obvious that the world does move on and as has been said, the branch lines in many cases, perhaps economically, have to be shut down. But again we have to weigh those costs against what we are giving up. If that comes out on the plus side, then we must support that, but we also must know what we are doing when we are supporting that. So I think this is a good discussion to talk about railway abandonment, as we are talking about rural post office services so that we will know in our own minds and hopefully come to some resolution in this province of what our intentions are going to be for the 21st Century, whether the small communities are going to be supported by us and if so how.

If they are not going to be supported for us, what are we going to do in place of them? What services are we going to allow for those moving into smaller towns and communities? What support structure is going to be there to service those who are still in place? What are we going to do for the farmers who have to truck their produce somewhere else? How are we going to develop a highway network system to be in place of a railway system? There are many questions to be asked and many answers to be found. I hope that during discussion we do not limit our focus on just whether railways should or should not be but whether the lifestyle should or should not be. Thank you, Mr. Speaker.

## COMMITTEE CHANGES

**Mr. Steve Ashton (Thompson):** I have some committee changes. I move, seconded by the Honourable Member for Dauphin (Mr. Plohman), that the composition of Standing Committee on Public Utilities be amended as follows: the Member for Thompson (Mr. Ashton) for the Member for Concordia (Mr. Doer); the Member for Brandon East (Mr. Evans) for the Member for Rupertsland (Mr. Harper).

**Mr. Speaker:** The hour being 6 p.m., this House is now recessed with the understanding that it will reconvene at 8 p.m. this evening.