

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, October 5, 1989.

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

BILL NO. 51—THE MARITAL PROPERTY AMENDMENT ACT

Hon. Clayton Manness (Minister of Finance) introduced, on behalf of the Honourable Minister of Justice and Attorney General (Mr. McCrae), by leave, Bill No. 51, The Marital Property Amendment Act; Loi modifiant la Loi sur les biens matrimoniaux.

BILL NO. 52—THE FAMILY MAINTENANCE AMENDMENT ACT

Hon. Clayton Manness (Minister of Finance) introduced, on behalf of the Honourable Minister of Justice and Attorney General (Mr. McCrae), by leave, Bill No. 52, The Family Maintenance Amendment Act; Loi modifiant la Loi sur l'obligation alimentaire.

INTRODUCTION OF GUESTS

Mr. Speaker: Prior to oral questions, may I direct Honourable Members' attention to the loge to my left where we have with us this afternoon Mrs. June Westbury, who is a former MLA who represented the Fort Rouge constituency.

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

Also with us this afternoon, seated in the public gallery, from the Kirkfield Park Christian Academy we have fourteen Grades 10 to 12 students under the direction of Patty Ayer. This school is located in the constituency of the Honourable Member for Assiniboia (Mr. Mandrake).

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

* (1335)

ORAL QUESTION PERIOD

Mikado Mine - Bag Bay Retention Ponds

Mr. Harold Taylor (Wolseley): Mr. Speaker, there have been concerns on the part of Winnipeggers as to the sanctity of their water supply. This caucus has raised the matters in the House dating back over a year. We were given reassurances, the Shoal Lake Accord, put in place by the Premier when he was Environment Minister back in '81, was all that we had to be concerned

about, because it would answer the needs. Well, answer the needs, it has not.

We have a water supply that reaches this city, some 60 percent of the population of the province, and it is served virtually untreated. We all hope that is the way it will remain.

There have been recent concerns about mining activity in Shoal Lake, I would say activities that have not had full disclosure, activities that have not had candour and information.

My question to the Minister of the Environment (Mr. Cummings) is: what further has he to report on the findings of his department, in conjunction with Ontario environment, on the retention ponds at the Mikado Mine on Bag Bay?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, the question is: what is there to report? We have several times indicated that we, on an ongoing basis, have been working with the Department of Environment in Ontario to make sure this site, along with several others, are monitored on a continuous basis.

I have no doubt that what the Member opposite is wanting to lead up to is there was apparently a press release this morning, or a conference, where there were accusations of mercury levels that could be discharging into the stream. There is certainly no concern that we have been able to identify that anything is being allowed, in any way, to flow into the drinking waters that are intended for use in Winnipeg.

Mr. Taylor: Mr. Speaker, candour, I guess, is what we are looking for on this. Will the Minister tell the House whether he received a specific response some time back from the Water Protection Group asking for information on the results of tests of the retention ponds at the Mikado Mine, with specific reference to mercury, lead and other heavy metals?

Mr. Cummings: Mr. Speaker, he asked if I received a response, or if I sent a response, because I think probably the issue that the Member is trying to lead up to is whether or not our department has been, and will be, prepared to share information with WPG. We have always said that we will share information they ask for, and to the best of my knowledge we have never denied them any information and are more than prepared to co-operate.

I would be a little bit cautious, if I were the Member for Wolseley, in referring to whether or not there is candour in relationship to how our department has been dealing with this. We offered WPG our co-operation from Day One at a meeting that was initiated by us, and we are continuing to stand by that offer.

* (1340)

Mr. Taylor: I am very pleased the Minister has put that on the record, because it would seem to fly in the face of the press conference today.

Is the Minister aware of the findings that were brought forward at that press conference regarding the technical reports on elements, such as mercury, lead, and cyanide in the retention ponds of the mine that would seem to fly in the face of the information being provided by his department?

Mr. Cummings: Mr. Speaker, if the Member is accusing the department of not putting forward information when it was requested, then he had better stand up and say so.

Information Release

Mr. Speaker: The Honourable Member for Wolseley, with a new question.

Mr. Harold Taylor (Wolseley): Thank you very much, Mr. Speaker. I recall an election campaign in 1988—

Mr. Speaker: A new question.

Mr. Taylor: Thank you very much, Mr. Speaker. On a new question, I recall the campaign by the political Party opposite in 1988 that talked very much about open Government. I remember the throne speech after that election which spoke of the same thing. I find, however, that in action open Government is not a practice on the benches opposite. It is not open at all. In fact, the withholding of information is becoming a rather serious matter for us on this side of the House and for Manitobans in general.

The question to the Minister of Environment is: did he specifically, or did his staff specifically, withhold information on the technical tests which were done on the retention ponds of the Mikado Mine and in the surrounding area?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, first of all, let me deal with the preamble. We have pledged ourselves to an open and accountable Government and that is what we are giving. There has never been any instruction to my department from me other than that they shall share information with any interested group that wants to know what the status of particular mine sites that we may have information on, samples that we may have information on. We do not go around behind closed doors, as the Member opposite, having samples performed and tested and then using them solely for political purposes.

Mr. Harold Taylor (Wolseley): Mr. Speaker, first, on a point of order.

Mr. Speaker: The Honourable Member for Wolseley, on a point of order.

Mr. Taylor: That Member opposite has made an allegation of the fact that I took samples off of Stevens

Island in the middle of Shoal Lake and took them and used them for other purposes. I think it should be in the record —(interjection)— Mr. Speaker, that—

Mr. Speaker: Order, please; order, please. The Honourable Member does not have a point of order.

Mr. Taylor: Mr. Speaker, on the supplemental question itself, there is evidence that this Minister or his staff did withhold evidence because I would like to hear his answers as to why, when specific requests were given for information, results were not forthcoming. When the same results were asked of Ontario, Ontario by phone gave the results that this Minister would not give, or his staff. However, when Ontario gave it in written form they censured the report. On whose request, why was the mercury evidence not in the Ontario report in writing—that was orally. Was it on the instruction of this Minister?

Mr. Cummings: Mr. Speaker, I guess the Liberal Critic in this House is accusing the Liberal Government of Ontario of giving him misleading information. Very strange, typical but strange. I make no apologies for the manner in which our department has handled any requests that have come in. If there have been improprieties or delays in the presentation of information it surely is not by my instruction. It could very well be that we have a very busy department, given the rapid rise of interest in environmental issues. When the WPG phoned my department—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order. The Honourable Member for Osborne.

* (1345)

Mr. Reg Alcock (Osborne): Mr. Speaker, just to respond to the Minister—

Mr. Speaker: Order, please; order, please. The Honourable Minister of the Environment, to finish his response.

Mr. Cummings: Mr. Speaker, I would assume, and because he is not coming out and forthrightly saying what his problem is, that the Member for Wolseley (Mr. Taylor) is referring to the fact the WPG phoned the department yesterday and asked why they had not yet received the answer to a request that they had put in, I believe, about mid-September. If that is the case, then he should also stand in the House and say how pleased they are that the information was couriered over to them immediately.

Some Honourable Members: Hear, hear!

An Honourable Member: Oh, no, we would not hear that.

Information Censorship

Mr. Harold Taylor (Wolseley): Yes, Mr. Speaker, this issue is bigger than our confreres in Ontario and the protection of them. This involves the protection of the water supply of 60 percent of this province. Will the Minister explain to the House how the requested information that was sent by his department, and I believe under his signature, to the Water Protection Group was censored, was precise, and did not have all of the information. It was only on the oral request on October 2 that the final information on mercury and other heavy metals came, because there was threat of action being taken against this Minister and his department. Will he explain that to all Manitobans and this House?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, there was never any censor of any information that went out from my department. The information that they require is presented to them, and will always be presented with complete candour, if I have anything to say about it.

Some Honourable Members: Hear, hear!

CN Rail Relocation

Mr. John Plohman (Dauphin): For a few months, and particularly the last few days, we have seen an unprecedented loss of jobs in the transportation sector particularly, but in other areas as well, in Manitoba as a result of federal Government actions and policies. We have seen the losses at CN, at VIA Rail. We have seen it at Canada Post. We have seen them in the immigration centre, and we have seen them in the military, and in a number of other areas, Mr. Speaker.

I ask this Minister of Highways and Transportation (Mr. Albert Driedger) today, in view of the fact that there was a major effort to move the CN headquarters to Edmonton in 1985, whether he has been advised or has any additional evidence of additional moves to Edmonton from CN regional headquarters here in Manitoba?

Hon. Albert Driedger (Minister of Highway and Transportation): No, Mr. Speaker.

Mr. Plohman: Mr. Speaker, once again, we have a Minister who is operating in a vacuum from total ignorance to information and facts that are taking place in this province.

I ask the Minister, in view of the fact that today we have been apprised that the accounting section—10 positions have been eliminated in Manitoba, in Winnipeg, and those functions established in Edmonton, whether this Minister will make himself aware of those details and take action to have those people remain in Winnipeg and remain at the regional headquarters here instead of moving to Edmonton under Mazankowski's efforts to build an empire there?

Hon. Albert Driedger: Yes, Mr. Speaker, I will.

Mr. Plohman: Well, we want more than just another paragraph in the letter that he put in yesterday to the federal Government. We have no action from this Minister, no action, nothing substantive.

Federal Operations Relocations Task Force Request

Mr. John Plohman (Dauphin): I ask the Deputy Premier (Mr. Cummings) whether he will establish a task force that will determine precisely what has been taken from Winnipeg and moved to Edmonton since the Conservative Government came to office in Ottawa. We know of many instances, including in the military, the Kapyong barracks, including as well the immigration centre. We know now of CN headquarter moves that are continuing to take place.

I ask this Deputy Premier if he will undertake to establish a task force of all Parties in this House, the City of Winnipeg, the Chamber of Commerce, and labour to determine precisely what jobs and functions have moved in the last five years from Winnipeg to Edmonton so we can make a case to gain that back here in Manitoba.

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, we are in the process of doing that right now, but I would like to inform the Member as well that the employment in the province has increased by about 13,000 jobs, long-term permanent jobs. That is not in defence of the jobs that we have lost, and we are trying to establish exactly what has happened over a period of time, and when I have that information, I will make the House aware of it.

An Honourable Member: Hear, hear!

* (1350)

Mr. Plohman: Mr. Speaker, there has been no job growths. Statistics Canada tell us in the first half of 1989 in this province and we have record bankruptcies. Let this Minister not talk about the economic health and job creation.

I ask the Deputy Premier (Mr. Cummings), on behalf of the Premier: will he undertake immediately to give a commitment to this House that he will establish such a task force so that we can find the facts that are being hidden insofar as moves from Winnipeg to Edmonton, under Mazankowski's Empire Building there at Winnipeg's expense, in transportation and other areas? Does this Minister not care to establish that task force to determine those facts?

Mr. Albert Driedger: Mr. Speaker, after the activities of yesterday which created a lot of concern for many Manitobans, we took certain actions. I also want to indicate, aside from the Member's request for a task force, I met with the Mayor of the City today. We are jointly setting up a meeting with the Winnipeg Chamber of Commerce, the City of Winnipeg, as well as Al Cerilli from the union and my department. We will be setting that up to see whether we can plan a strategy to make

our voice known in a strong way to the federal Government.

An Honourable Member: Sounds good.

An Honourable Member: Hear, hear!

Mr. Speaker: Order.

Crown Corporation Public Review Act Amendments

Mr. John Angus (St. Norbert): Mr. Speaker, this is for the Minister responsible for Hydro and it concerns mega projects.

Tuesday, the Manitoba Courts, in reference to the Crown Corporation Public Review Act said, and I quote, "There is a flaw with this legislation, somebody goofed when they drafted it." Yesterday the Minister stated that he had no intentions of supporting any move to clarify the situation and force mega projects to public hearings. Is the Minister satisfied that the legislation under which the PUB receives its power provides sufficient protection to the consumers in Manitoba?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, in response to the question, the Act was drafted very intentionally to leave within the hands of Cabinet, decisions with respect to the capital expansion plans of our major Crown corporations. Let me also say that when our Crowns engage in capital plans that require billions of dollars of spending which have to be guaranteed by the Minister of Finance (Mr. Manness) on behalf of the Government of Manitoba and because Governments have to be accountable, that is the way the process has to be. Let me also indicate that the Opposition, after some amendments, supported that legislation wholeheartedly.

Public Utilities Board Capital Projects Crown Corporations

Mr. John Angus (St. Norbert): To the Minister responsible for Hydro (Mr. Neufeld), I suspect, Mr. Speaker, given that the chair of Manitoba Hydro, in a submission to the Public Utilities Board in March of this year, stated his support for the examination and review of capital expenditures by the PUB prior to any financial commitment by the Government, why is this Minister and this Government so adamant against providing that open type of information?

Hon. Clayton Manness (Minister of Finance): The Member's logic behind this question is completely wrong. The Government does, through its Crowns, totally expect capital plans to be reviewed for the purposes of setting rates by the Public Utilities Board. The sanction, indeed, the final decision is ultimately as to whether a capital plan goes ahead or not within the Crowns will remain in the Government because of course the Government is accountable. Mr. Speaker, the Act was intentionally drafted in that fashion.

Jurisdiction - Manitoba Hydro

Mr. John Angus (St. Norbert): Mr. Speaker, then to the Minister of Finance, will he in fact support legislation directing Manitoba Hydro to lay before the Public Utilities Board mega projects that involved consumer rates of Manitobans in the future years?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, that was the intent of the legislation. Of course, Manitoba Hydro will lay before the Public Utilities Board capital plans that have been entered into by Hydro after the Government of the Day has seen the projects and has made some decision in accordance with public policy. Naturally they will be laid before the Public Utilities Board. The Public Utilities Board will make recommendations with respect to rates and indeed will make decisions with respect to rates.

* (1355)

Mr. Angus: Mr. Speaker, with a new question to the Minister, this is a very serious issue that impacts all Manitobans, and I would respect the tolerance of the Government. When the Minister of Energy and Mines (Mr. Neufeld) refused to place—and it was added to by the Finance Minister (Mr. Manness)—mega projects before the Public Utilities Board before they were approved and rubber stamped by the Government, it was obviously caught off guard. They obviously did not consider all the information.

On June 9, 1989, the chairman of Hydro, in a memo to the Minister of Energy and Mines (Mr. Neufeld), stated, and I quote, "In my view it is entirely appropriate for Manitoba Hydro to be required to defend its major capital expenditure plans before the Public Utilities Board, and to receive their comments and criticisms prior to the Government approval. This is very important, Mr. Speaker, with your tolerance—"

Mr. Speaker: And the question is?

Mr. Angus: Mr. Ransom further stated that his position was first—

Mr. Speaker: Order, please; order, please. I would like to remind the Honourable Member for St. Norbert that the remarks that you have just made are not on Hansard. I was trying to get the Honourable Member's attention so that I could recognize him one more time. Now, will the Honourable Member for St. Norbert kindly put his question?

Mr. Angus: Thank you, Mr. Speaker, and I apologize.

Mr. Speaker, when the Minister of Energy and Mines (Mr. Neufeld) refused to place the Hydro capital expenditures and the Minister of Finance (Mr. Manness) corroborated that information before the PUB, they obviously caught them off guard. They obviously did not consider all the information at their disposal. On June 9, the chairman of Hydro -(interjection)-

Mr. Speaker: Order, please. The Honourable Member for St. Norbert, kindly put his question now, please.

Mr. Angus: Mr. Speaker, all right, can the Minister tell this House why he chooses to ignore the recommendation of Hydro's highest ranking official, and an individual for whom all Members of this House have the utmost respect?

Mr. Manness: Mr. Speaker, when the legislation was drafted, and I was responsible for the drafting and the guiding of that legislation through the Legislature, I was in constant communication with Mr. Ransom with respect to the legislation. Let me say that the legislation was written in the fashion such that Government would ultimately make decisions with respect to major projects involving Crown corporations, because Government of the Day is totally responsible for going to the money markets and guaranteeing the borrowing of literally billions of dollars. Government—and the NDP Government was no different—can in no way remove itself from that responsibility.

Once that decision is made, then of course, as Mr. Ransom indicated by the way in that memo and in many other times, the full capital plan is to be provided to the Public Utilities Board for them to review and recommend, and to indicate what rate should be in place.

Manitoba Hydro Capital Projects Review

Mr. John Angus (St. Norbert): Mr. Speaker, then would the Minister of Finance (Mr. Manness) support the comments by Mr. Ransom in that memo that say, I request the Public Utilities Board undertake a review with public hearings of our major capital expansion plans prior to any final commitment by the Government. Would you comment on that, please?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, that is consistent with what I have been saying all along. If Manitoba Hydro enters into a major agreement necessitating a major expansion, a capital expansion, that will be laid before the Public Utilities Board.

Public Utilities Board Jurisdiction - Manitoba Hydro

Mr. Speaker: The Honourable Member for St. Norbert (Mr. Angus), with his final supplementary question.

Mr. John Angus (St. Norbert): Mr. Speaker, will the Minister of Finance (Mr. Manness) support the amendments proposed by this Member, and proposed by Mr. Ransom, that urge the Government to introduce legislation that will amend this clause to allow the Public Utilities Board to review, as opposed to approving, any major capital expenditures to determine the impact on customers before the Government enters into an agreement?

* (1400)

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, you see you have a Member here who wants

it both ways. I have approached that Government to try and bring in that amendment myself. They turned me down. They turned me down, the Opposition, they turned me down. You see, there is a big difference between the words "review" and "approve." If the Members are saying now the Public Utilities Board should not have the power to approve, but only to review, tell us what side of the issue they want to be on because they cannot be on both sides.

Manitoba Child Care Association Meeting Request

Ms. Judy Wasylycia-Leis (St. Johns): Mr. Speaker, my question is for the Acting Premier. As Members of the Government should know, the issues around day care are growing enormously every day. The Premier was sent a letter yesterday informing this Government of the mandate that the child care association has received from parents, child care workers, community volunteer board members, a mandate that says this budget of this Government is not acceptable and they have asked this Government for a chance to have frank and open negotiations.

My question to the Acting Premier is: what is the reply of this Government to this most serious letter on a most critical issue, what is the answer to this letter and what is this Government prepared to do to address the looming walkout and day of protest coming up in the next couple of weeks?

Hon. Charlotte Oleson (Minister of Family Services): Mr. Speaker, I do not presume to answer letters for the Premier so he will be answering that letter directly to the organization in due time. However, I should inform the Member that there was a meeting this morning with the Day Care Advisory Committee, the Human Services Committee of Cabinet and the Premier was present at the meeting.

Day Care Funding

Ms. Judy Wasylycia-Leis (St. Johns): Mr. Speaker, the situation is so critical it demands much more firm action on the part of this Government than that. The sloughing off of a major labour dispute issue, one of the most critical issues facing the province of the day, to a politically appointed committee, is not good enough. My question to the Acting Premier is: is this Government prepared to negotiate and make changes in this year's budget to meet the requests of the child care association, speaking on behalf of day care workers and parents and community volunteer board members.

Hon. Charlotte Oleson (Minister of Family Services): Mr. Speaker, as I indicated, there was a meeting this morning, a very productive meeting, with child care people from across the province who represent various aspects of child care within the province. It was a very frank, open meeting, it was a planning-for-the-future meeting.

Mr. Speaker: Order, please. The Honourable Member for St. Johns has the floor.

Ms. Wasylycia-Leis: Thank you, Mr. Speaker. I do not know of any other situation in a labour dispute where a Government is prepared to slough off an issue to a politically appointed body that has no authority to make decisions. It is an abdication of Cabinet responsibility.

Manitoba Child Care Association Meeting Request

Ms. Judy Wasylycia-Leis (St. Johns): My question to the Acting Premier is, given the lack of action to date, given the lack of willingness to even sit down and talk with the child care association that represents the parents, boards and volunteer community board members, how far is this Government prepared to go to see disruptions in the labour force in Manitoba, to see disruptions in terms of the family, to see withdrawal of service and, more importantly, to see board of directors resign, to see the whole system come . . .

Mr. Speaker: Order, please; order, please. A question has been put. The Honourable Minister of Family Services.

Hon. Charlotte Oleson (Minister of Family Services): Mr. Speaker, by the tone that the Member is taking, she seems to be advocating this type of activity. This Government has gone a long, long way in assisting the day care community of Manitoba, 45 percent increase in funding over two budgets, 45 percent, bringing the total child care dedication of monies to child care in this province to \$42 million.

Mr. Speaker: Order; order. The Honourable Member for St. Johns. Order, please. On a point of order?

Ms. Wasylycia-Leis: On a point of order.

Mr. Speaker: On a point of order.

Ms. Wasylycia-Leis: On a point of order, in the middle of the comments made by the Minister of Family Services, the Member for Rhineland (Mr. Penner) shouted out, "Children, where are your parents?" Now, Mr. Speaker, I think that is an insult to all working people—

Mr. Speaker: Order, please; order, please. There is no point of order.

Some Honourable Members: Oh, oh!

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

Ms. Avis Gray (Ellice): Thank you—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. Order! Honourable Members wishing to carry on with their private conversations can do so outside the Chamber.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, order! The Honourable Member for Ellice has the floor.

Ms. Gray: Thank you, Mr. Speaker. This Government has the morals of an alley cat.

Some Honourable Members: Oh, oh!

POINT OF ORDER

Mr. Speaker: Order, please. The Honourable Acting Government House Leader.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I have been sitting here listening to Members opposite editorialize after answers have been given, but the Member opposite saying that this Government had the morals of an alley cat certainly is not conducive at least to trying to operate this House in an orderly fashion.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. Order! The Honourable Member for Ellice, on that same point of order.

Ms. Gray: On the same point of order, Mr. Speaker, I would like to make it very clear that in fact those words that I spoke were not my choice. I was merely quoting the Hansard on the same words that the now Premier (Mr. Filmon) of this province spoke in June of 1986 when he made verbal -(interjections)-

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, order!

Order, please. Order! For Honourable Members' attention, I would like to quote from our Beausheerne's 410. It is very, very specific. Television has made a marked impact on the Legislature and the public perception thereof. In the view of the watching public, decorum is of great importance.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please! On the same point of order, which has been raised, I would remind the Honourable Member for Ellice (Ms. Gray) that we are all Honourable Members in the Chamber. Unparliamentary language may not be attributed to another Member. Therefore, I am asking the Honourable Member for Ellice to withdraw that statement, please. The Honourable Member for Ellice.

Ms. Gray: Thank you, Mr. Speaker, and I certainly do withdraw that.

Mr. Speaker: I would like to thank the Honourable Member for Ellice.

**Special Policy Advisor - Health
Dr. Lawrence Wiser**

Mr. Speaker: The Honourable Member for Ellice, with her question.

Ms. Avis Gray (Ellice): Mr. Speaker, the Premier also went on to say that Government has said to the people of Manitoba and its own civil servants, "Do as I say, not as I do." I hope that the Premier remembers those words, and I am assuming he was looking in a mirror when he said that.

Mr. Speaker, we have recently learned that a Dr. Lawrence Wiser has been contracted as a special policy adviser by the Department of Health. My question to the Minister of Health is: can he tell us what Mr. Wiser's job function is, how long is he being contracted for and what is he being paid?

Hon. Donald Orchard (Minister of Health): Yes, Mr. Speaker.

Ms. Gray: With that non-answer, Mr. Speaker, we would assume—

Mr. Speaker: Order, please. I will remind the Honourable Member that we do not comment on answers either given, taken as notice, or not answered.

* (1410)

Mr. Speaker: The Honourable Member for Ellice, with her supplementary question.

Ms. Gray: Thank you, Mr. Speaker, for your advice. I have a supplementary to the same Minister. I would assume that a special policy adviser is certainly the same job that Sonny Arrojado held as a senior adviser with the Department of Health and the same job where she was turfed out by this now Minister of Health.

My question to the Minister is: can the Minister of Health (Mr. Orchard) tell this House why he has hired a special policy adviser when his own Deputy Minister publicly indicated in January of this year that we would not be hiring a replacement, we have no use for an adviser?

Some Honourable Members: Oh, oh!

Mr. Speaker: Order. The Honourable Minister.

Mr. Orchard: Yes, we have hired Dr. Wiser. No, he does not have the morals as attributed by my honourable friend from Ellice. Mr. Speaker, the individual has a record of distinction in terms of his clinical practice, his dedication to various research projects in terms of the efficacy of emerging health technologies and practices of care and has a very valuable role to contribute to the ministry of Health as a physician with not only field experience but administrative and research experience. If my honourable friends find objection to hiring expertise in the medical field, then I suggest that they would have no idea or concept of what is—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. The Honourable Member for Ellice, with her final supplementary question.

Ms. Gray: I have a final supplementary to this same Minister. How can the Minister of Health justify bringing in this high-priced help when they said that they did not need these people, when we feel it is an indication of propping up the fading image of the Minister of Health? How can he justify this when you are not prepared to even consider increases in salaries for day care workers?

Mr. Orchard: Mr. Speaker, I would like to respond to some of the cat calls from the New Democratic back bench but that would be unparliamentary. Members in the New Democratic Party are referring to alley cats.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. The Honourable Minister of Health.

Mr. Orchard: Mr. Speaker, it is of the utmost ease with which I justify the hiring of a policy adviser to the Deputy Minister of Health. It is for the very purpose of formulation of policy which will lead the ministry of Health and in co-operation with the Manitoba Medical Association, College of Physicians and Surgeons, the Faculty of Medicine, the major institutions that consume a substantial amount of the budget of the Province of Manitoba, so that we can assure that the policies that emanate from this Government are appropriate for continuing quality care well on into the future.

**Mikado Mine - Bag Bay
Mercury Contamination**

Ms. Maureen Hemphill (Logan): Mr. Speaker, my question is for the Minister of Environment (Mr. Cummings). On August 17, the Water Protection Group took samples from the holding pond at the Mikado Mine site. This is within 30 metres of Shoal Lake and their analysis showed that there were high cyanide levels. At the time the Minister said that they were going to do retesting, wanted to do their own testing, which they did. On August 24 the province confirmed that there were cyanide levels in that area, but they were at a lower level than had been said before and that they would break down with the sunlight. The Minister indicated both to the public—

Mr. Speaker: And the question is?

Ms. Hemphill: That was a very short preamble.

Mr. Speaker: Order, please. The question?

Ms. Hemphill: Yes, Mr. Speaker, would the Minister please tell us why, when he gave the information to the public through the press conference, and why, when he wrote the Water Protection Group on September 16 with information, that he only indicated that there

were cyanide levels in the testing and did not give any indication of the mercury levels at 4.72, which is five times the allowable levels?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, that does not indicate mercury or cyanide levels in the lake. That is a settling pond where you might expect to find something, a settling pond which, by the way, is fully retained and, according to Ontario officials and my own, has no chance of allowing material to leach or flow into the lake.

Mr. Speaker, the Member for Wolseley (Mr. Taylor) raised a question of similar circumstance earlier in the House. The drinking water of half the population is being questioned by these fearmongers on the other side.

POINT OF ORDER

Mr. Speaker: The Honourable Opposition House Leader, on a point of order.

Mr. Reg Alcock (Opposition House Leader): Mr. Speaker, on a point of order. I can understand why the Minister of the Environment (Mr. Cummings) is uncomfortable, but he should not respond to legitimate questions by the Opposition by impugning motives, and I would ask that he withdraw that remark.

Mr. Speaker: The Honourable Minister of the Environment, on that point of order.

Hon. Glen Cummings (Minister of Environment): On that point of order, Mr. Speaker, I would quite willingly withdraw the word "fearmongers."

Mr. Speaker: I would like to thank the Honourable Minister of the Environment. The Honourable Minister can finish his answer.

Mr. Cummings: The information was sent forward to the WPG as soon as the work was done due to the complexity of the chemical work that had to be done for heavy metals. That work was finished on September 21. It was then forwarded to our director of Environmental Services, who I believe had it on his desk until yesterday. When he received a request asking where it was, immediately couriered the information over.

Ms. Hemphill: Mr. Speaker, I do not think that in all the answers the Minister has given that he has yet told us why he did not tell the public and the City of Winnipeg why there was mercury contamination in the holding pond. The tests also showed very tiny levels very close to the lake which he has not also addressed yet. Why did it require this Citizen Advocacy Group to do the testing in the first place? Why was this not found and done by the Government and reported to the public in the City of Winnipeg, and has there been any subsequent monitoring then to keep track of the levels of contamination in the pond and in the area surrounding the lake?

Mr. Cummings: Mr. Speaker, there has been subsequent testing in relationship to cyanide. There has been a dropping level of the amount of cyanide that is in that pond. But the problem that the public has to be able to understand, has to have the information on, is that we are talking about a mine process pond that is now out of service, one that is fully retained with a plastic liner, has two further retention ponds before anything could reach the drinking water of this province. I can assure you, Mr. Speaker, and the Opposition, that this is not an issue that we take lightly, and I do not think that it is appropriate we be bringing forward any information that would smear the intent and the honour of the Civil Service within my department.

Ms. Hemphill: Nobody is trying to smear his department; the report has come from his department that shows the high levels of contamination. We are asking why he did not tell anybody about it.

Winnipeg Water Protection Group Funding

Ms. Maureen Hemphill (Logan): Mr. Speaker, my question is: since the water protection group seems to be the agency in the group that has brought this information to the attention of the people of Manitoba and to the City of Winnipeg, and since they are playing such an obviously necessary role in both advocacy and protection of the city's water, will this Government give funding to this organization so they can continue this vitally necessary advocacy and protection role?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, I answered that question yesterday when I stated that I believe the people of this province, and the people of Winnipeg, do not intend to pay three times to have expertise brought to the hearings that will eventually come to Winnipeg. But I have to reiterate that at my request I met with the WPG shortly after they were established. I offered them the total information that we have in our department, any technical backup that they would request, and I said if they had concerns that they wanted to bring forward, please contact me so I could deal with them. The only time they contacted me was that meeting. They have not directly brought information to me except through the press since then.

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

* (1420)

ORDERS OF THE DAY

Hon. Clayton Manness (Acting Government House Leader): Mr. Speaker, before I move the moving into Supply motion, I understand that at 5 p.m. we will move into Private Members' Hour to consider Bills. That being the case, I move, seconded by the Minister of Environment (Mr. Cummings), that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider the Supply to be granted to Her Majesty.

MOTION presented.

MATTER OF GRIEVANCE

Mr. Paul Edwards (St. James): I rise on a matter of grievance.

Mr. Speaker, I want to grieve today the increasingly gloomy labour situation in this province and the ineffectiveness of this Government in dealing with the cut which has been made by the other level of Government but as well with the changing economic environment in this province.

Mr. Speaker, it is my view that we are in a critical phase in Manitoba's economic history.

Mr. Speaker: Order, please. Order. We are having some difficulty in hearing the remarks being put forward by the Honourable Member for St. James (Mr. Edwards). Honourable Members wishing to have their private conversations can do so outside the Chamber. The Honourable Member for St. James.

Mr. Edwards: Thank you, Mr. Speaker. As I was saying, I believe that Manitoba is entering a critical era in its economic development and its economic history. I think that the response of Government is more critical today than perhaps it has been certainly since the Second World War but one of the most critical times in our history as a province.

Mr. Speaker, we have seen over a number of years in this province the erosion of our economy through a declining in the manufacturing industry in this province and a declining in the jobs which provide the best employment opportunities for our people. Those are the jobs that provide stability, they provide high paying wages and they allow people to stay in this province and raise their families and reach their aspirations which I think we all hope to do for all people who chose to work in this province.

However, we have now entered the free trade era in this country and despite the predictions of the Liberal Party that the Free Trade Agreement would not be good for this country, we have seen the Government, both at the federal level and here at the provincial level, forge ahead on the free trade front. It is certainly my view and that of my Party, that that was an error. It was something which I think was done because of the leadership which happens to see our economy as inextricably linked, and indeed our nation inextricably linked, to that of the United States. I think that is a mistake because we are seeing very early on in the experience of the Free Trade Agreement that this is indeed part of the manifest destiny theory behind the United States' desire for expansion and growth, both economically and politically in the world.

That is not to say that the United States is our enemy. I do not, by any stretch of the imagination, mean that. I do though think that we have to acknowledge that we are different. We have to acknowledge that we are next to an economic giant, and we have to acknowledge that reality and prepare to defend as much as possible and as much as necessary our own cultural integrity

and our own ability to define and work out what we as a nation want to be.

That as a nation from coast to coast to coast, committed to the principle of equalization between those coasts and committed to the idea that we all should share in prosperity, and we all should share in times of recession or depression. The Free Trade Agreement in the most recent decision over the pork subsidy I think points us in the direction that the Americans intend to take on this agreement.

It is very clear to me, and I think to most who have watched in the past months, that the United States sees our entire system of equalization in this country, and our entire system of, even within provinces and within regions, supporting farmers groups, to give one example, but certainly others, through subsidy programs, as an affront to the free market. If it is an affront to the free market, and I do not believe it is, but if in fact it is, I would continue to argue that it is a necessary incursion by Government into the free market to protect what we want to see this country be.

(Mr. Harold Gilleshammer, Acting Speaker, in the Chair)

We do not want to see unrestrained development in certain parts of the country at the expense of other parts of the country. We all want growth, but as a national Government I think it was incumbent upon our present national leader to recognize that this country has grown up despite the natural economic tendencies in this continent which flow north-south, rather than east-west.

We have always gone against the grain, we have always gone against the odds. It is something that I think we have championed, and quite correctly, through successive Governments. I might add that started with John A. Macdonald, the Conservative who stood up and said that we would not allow what was then the Northwest Territories, which included this province and Alberta and Saskatchewan and the Northwest Territories to become part of the United States even though the Great Lakes stood between the East—Lower Canada and Upper Canada—and the West. He went ahead and he took enormous risks and he made enormous efforts to secure the financing and the support from the mother country, the United Kingdom, to go through with the national dream. That national dream took the form of a railroad first and later on a highway, but initially the railroad was what linked this country from coast to coast.

* (1430)

Today we see the desecration of that dream and the desecration of that railroad by a Government of the same Party coincidentally; ironically that has chosen to turn that dream, in the words of John Turner, "into a nightmare." The fact is that a railroad is a link like no other. It is more of a link than a highway. It is far more than any air route can ever give. It is a link which I think is in the subconscious of every Canadian in this land and certainly any Canadian who has ridden that railroad as I have as a child many, many times.

In any event, getting back to the specific situation in Manitoba, Mr. Acting Speaker, as I said, it is my view that we are entering a critical time, first because of free trade, but I think also because of a federal Government that really does not want to work with Manitoba to provide a strong economy for future years and for our children and our grandchildren.

The most effective and the most obvious sign of that is that the federal Government has not chosen even to spread the federal dollars which it has to spend anyway, and I am speaking, of course, of the defence cutbacks. We know that the cuts here in Manitoba are not going to save the Government any money. That has been proven I think quite effectively and quite soundly. Yet, even though the dollars have to be spent, we have seen a choice on the part of the federal Government to withdraw from the smaller provinces, the provinces that need that investment, and in particular of course Prince Edward Island and Manitoba.

We certainly, along with Prince Edward Island, are a province that is very vulnerable to what may seem like small dollars to a province like Ontario and Quebec, but in Manitoba it is pretty big bucks when we lose 800 workers at Kapyong and another 800 at Portage la Prairie. That is big news in Manitoba. That is going to affect our overall provincial economy, not just the economy of the areas in which those people worked and lived.

Mr. Acting Speaker, I want to refer to the outset of my grievance to the Manitoba Labour Relations Information Bulletin for the second quarter of this year, and I think that is an interesting and instructive bulletin in that it specifically says, with respect to federal budget impact, that the budget, the federal budget, that is the budget of April of this year, is acknowledged to be inflationary, contributing about three-quarters of one percentage point to consumer price index growth in 1989 and a further half percentage point in 1990.

Then the report goes on to state, under the heading, Medium Term Outlook to 1993, over the next four years, that Informetrica predicts that we will be experiencing a rate of growth of .7 percent per year compared with 2.7 percent in the rest of Canada. So we are virtually a quarter—we are going to have one quarter of the growth rate that the rest of this country has. Now those figures are available to our federal representatives, yet they have seen fit to ignore those in their decisions about federal spending.

I lived for six years in Ontario, right in the heart of southern Ontario. I lived in Peterborough, and Toronto, and Kingston—cities that have traditionally had a manufacturing base, although Kingston, of course, has as well a very large Government presence through the Corrections, and the university, and the various other governmental institutions there. I have seen the dollars that are spent in southern Ontario, and I went down there because those are my roots and I do not say anything about Ontario that reflects badly on them as Canadians. That is not my intent.

My intention is to make the point that our federal Government has spent billions and billions and billions of dollars in that sector of this country, and of course,

as well in the other—what is commonly called heartland—and that is Quebec. The regions, the outlying regions have never experienced the same rate of input from the federal Government, and I guess, Mr. Acting Speaker, if you want to be crass, you would say it is politics. The federal politicians look at the population bases in this country, and that is where they put the bucks, and that is a very cynical view of it, but quite frankly, I certainly expect more from a federal Government.

I would expect that we in Manitoba and in Prince Edward Island and in Newfoundland and in Saskatchewan, provinces that are at the outlying regions, that maybe do not have the population base of the other areas but nonetheless represent significant areas in this country and represent individual provinces in this country, would get more than their fair share of federal spending. It seems to me that they should get federal spending above and beyond what is their percentage of the population.

That is my view of what equalization should mean. When taken not just with respect of the equalization payments, but with respect to what our Government spends each year in this country, and let us be clear, this Government, this federal Government spends billions and billions of dollars every year. We have very rarely, Mr. Acting Speaker, ever received our share even. Far from more than our share, we have very rarely received our share in terms of population of federal spending.

One notable exception to that, when I believe we actually reached what was our percentage of the population, around 4 percent; was when we had Lloyd Axworthy in Ottawa, who in fact went down to Ottawa and did stand up for Manitoba, and he did get the money to come to Manitoba. We have not seen anywhere near the same success from our Tory Cabinet Ministers in the last five years, Mr. Acting Speaker. People say, well, Axworthy was bringing money to Manitoba and they suggest that was somehow politicking, and that he was doing things that were not in keeping with what we deserved in Manitoba.

But let us face it, what he got as a percentage of our population, as a percentage of the rest of the country, was what we deserved. What we do not realize, people think, oh, we have all kinds of things from the federal Government, we must be getting more than we deserve. We were not. What we do not realize is how much money they spend in Ontario and Quebec. You go down there and live there for awhile and you see the investments that are made in those parts of the country. It is phenomenal how much money is spent down in those population bases of our country.

Going on, referring to the labour information bulletin for the second quarter of this year, it is interesting to note that it is pointed out in that bulletin that Labour Canada reported having surveyed collective bargaining wage settlements covering 500 or more employees in Manitoba, in the first quarter of 1989 that wage increases averaged 3.9 percent annually over the term of those agreements.

Now that compares with a Canadawide average of 4.3 percent annually. So we are falling behind in terms

of our wage settlements in this province while at the same time it is acknowledged in this report that the consumer price index, what it is going to cost to live in this province, is going up. The growth rate in this province, as well, is only one-quarter of the growth rate nationally, which is forecast by Informetrica for the coming four-year term.

Mr. Acting Speaker, finally, in respect to this report, the average weekly earnings in Manitoba, in April of 1989, were \$441.66. That compares again with the Canadian weekly average of \$480.84, and that ranks us sixth in the country, and again I think that adds to the overall impression that Manitoba is behind and is going to fall further behind.

We know from experience in the last year we cannot look to the federal Government to in any way help us. They are intent, it appears, on ignoring us. I am not sure if it is ill will—I doubt it. I think it is just blindness. I just think they do not see Manitoba and whatever is here they see as being up for grabs. Mr. Acting Speaker, I do lay blame at the door of the provincial Government, I do not buy their strong words about doing things in Ottawa. The fact is—(interjection)—that is right, maybe they do not have the jurisdiction to change those things, but let us face it, they have not gone near far enough in making their case known. They do not even know what the effect of the VIA Rail cuts are going to be in this province, VIA Rail cuts that have been rumoured for months, and known quite clearly at least for a couple of weeks, and we finally get the word yesterday. They still have no idea about what the actual impact of those job losses will be in this province.

* (1440)

I find that astounding. I find that negligent. I find that depressing for all Manitobans. Manitobans who are losing their jobs are losing some of the best jobs in this province. They are losing the jobs with secure collective agreements. They are losing the jobs with relatively high wages and in many cases we are losing the jobs in the outlying areas outside of Winnipeg. That is especially tragic, Mr. Acting Speaker, as we see the rural depopulation continue, and it is extremely concerning to the official Opposition that trend does not seem to inspire this Government to do everything possible to ensure that a successful case is made to the federal Government.

If you make your case, if you are adamant, if you are strong and you lose, you can come back to this province and at least you can hold your head high and you can look to the people and say, I did everything in my power. But the fact is that has not been done. Time and again things have been left undone. Mr. Ghiz seems to have gotten replacement investment, absolute replacement investment for Summerside, Prince Edward Island, that is what he got. He seems to have gotten the Minister to visit him in Prince Edward Island. She went down to a meeting, she said: No problem, Joe, we will give you replacement investment. He threatened to sue the federal Government. He said, you cannot do that. What did our provincial Government do? Very, very little. He went down, did not see the Prime Minister, saw the Minister of Defence, seemed

to have taken "no" for an answer and left. He came back in here and said, I got no for an answer.

We have seen some replacement investment. It is a pittance compared to what has been promised the Liberal Premier of Prince Edward Island. It is an insult to the people of this province in respect of the overall cuts, which have been made in Manitoba by the federal Government.

Mr. Acting Speaker, it seems to me, aside from the economic factors which are looming in our future in this province, we also have to acknowledge that the world is dramatically changing. In order to prepare for that in this province I have said many times in this House, and put directly to the Minister of Labour (Mrs. Hammond), we need to establish a labour adjustment strategy that does not just have to react to plant closures and job loss but can be proactive, can try and predict what those job losses are going to be in the wake of the Free Trade Agreement, and in the wake of our changing economy in this province.

In fact we know that those changes mean, in terms of employment in this province, the new jobs are going to be the low-wage service sector jobs. What we have lost in the last year are the high-wage manufacturing industry jobs, and that is exactly the wrong way to be going.

You cannot raise a family on five bucks an hour. I would assume that speaks for itself. I have people in my constituency, and probably many of us do, who try to do that. It is absolutely impossible for them to achieve a decent standard of living with a family with that kind of pay.

I had the enlightening but somewhat depressing opportunity last week to attend at Rossbrook House with the Minister, and also with the critic from the New Democratic Party, the Member for Thompson (Mr. Ashton). That was a forum in which certain people were invited to talk about their difficulties in the labour force in Winnipeg, the relatively untrained, unskilled, labour force in Manitoba and of course, in particular, in the inner city. It was sponsored by the Inner City Voice, and I want to thank them for sponsoring that occasion, because it was very educational for me, very instructive, and I think it was instructive for all members who attended.

We heard tales of people who were trying to do the right thing in this society. They were trying to go out and work. They did not want a handout. They were trying to raise their families. They were trying to give their families the basic requirements which they needed to live, give them a good education, and give them a good life. They could not do it. They made that very clear. They brought the numbers to us. You cannot do it.

None of them were spending money frivolously. Nobody was an alcoholic, nobody was taking lavish trips, nobody was buying brand new TVs. You just cannot do it on five bucks an hour, you cannot raise a family in this city.

The fact is that the jobs you get—in one case a women spoke up, the job you get is at Salisbury House,

it is the night shift. Night shift requires you have to do something with your kids during the day. You have to pay for day care, and the saga goes on and on and on. What they eventually do is break down. They say, I cannot get a better job, and I cannot see a future for me getting a better job. I have no choice but to go on welfare, and that is what ends up happening, Mr. Acting Speaker. That is indeed a tragedy.

Those are the kinds of jobs that we are talking about coming to this province. We are talking about the low wage service sector jobs. When the free trade proponents say jobs are coming to this province, that is what they mean. They mean service sector jobs which are the lowest paid jobs in this province.

What we have lost in the last year are the manufacturing sector jobs. The jobs that pay \$13, \$14, \$15, \$16 an hour and that allow you to live the kind of life that we all want to live, and that allow you - (interjection)- well, the Member for Lac du Bonnet (Mr. Praznik) says 50 new jobs. Perhaps if he had been listening he would realize that I, in fact, acknowledged that.

What I am pointing out to him is in the last three months since the federal budget, we have lost 1,600 federal jobs. On top of those we have lost many hundreds more throughout this province in rural Manitoba. The Member is from rural Manitoba and you would think that he would understand the need to protect those jobs if anywhere in rural Manitoba, in Brandon, in Dauphin, and all over this province.

The Member asks how often I ride the train, and I am glad the Member did ask that question. I ride the train often and I always have. When I was a child growing up in various western provinces, all over the West, all through western provinces, my family's vacation was always in Ontario, and I always took the train. My family still takes the train. In fact, my brother came to visit me just a month ago—he is a lawyer in Regina—on the train with his children. We take the train because we like the train. I think the train, as I have said, is an important part of—even if Canadians do not use it, they are subconsciously attached to the train. The train is something that has bound this country together and it is not just freight.

When I was growing up, part of my life in Swift Current, Saskatchewan, I can remember the train came in at ten o'clock at night. On a summer night we would go and walk down to see the Canadian come in, and to see people get on and get off the Canadian. That was a link and it is hard to explain. I was listening to someone from Moose Jaw talk about this on the radio this morning and I identified with that. There is a link, when you have lived in a small prairie town that the train goes through. It is a link to the outside world. Let us face it, we are pretty isolated in this country. When you go down, in a small town you can see the link from coast to coast to coast and it inspires you.

The Member says I should support the GST to support this. His Government has given us both, a GST which is going to cause further job loss in this country, which is going to cause inflation, which is going to cause recession quite likely, a recession in this country.

He says that the same Government gives us the VIA cuts. It is interesting to me, and I will entertain questions from the Member because I want the Member for Lac du Bonnet (Mr. Praznik) to put on the record what he has been saying, in support of both the GST and cutting VIA Rail. Those sentiments are entirely contradictory to what not only his Premier (Mr. Filmon), but the Minister of Transport (Mr. Albert Driedger) has said. He says these things seem to have to be taken by Manitobans, we have to bite the bullet. That is what the Member for Lac du Bonnet intimates by his question.- (interjection)- He asks, where do we get the money? If he had been here earlier he would know that Manitoba gets dinged every time. Manitoba has been hammered since his Party came into power in this province, again and again and again they have been hammered. He is scrambling, Mr. Acting Speaker, and I want to answer every one of the things that he brings up.

He says we voted against tax cuts. We have never said we would vote against tax cuts. We support tax cuts. The fact is, what we do not support is a slush fund, a slush fund of \$200 million, and who is going to write the cheque—the Cabinet. That is the kind of irresponsibility that this Government stands for.

They stand for the politicization of everything, including monies which could be going to child care workers to develop a strategy to pay them better, including monies which could be going into a labour adjustment strategy. How about that? How about going into a labour adjustment strategy that would keep high paid jobs in Manitoba, maybe attract some to Manitoba to enlarge our tax base with people who can pay taxes?

* (1450)

The fact is, having gone to that discussion at Rossbrook House last week, it is abundantly clear that there are growing numbers of people working in the service sector in this province who are not paid well enough to feed their families. Those people are not taxpayers, they are not going to be supporting this tax base because they cannot. They absolutely cannot. We have an absolute disgraceful lack of training programs for people to get the high paying jobs. We do not have the high paying jobs to give, that is the fact, and the Free Trade Agreement is going to exacerbate that problem in this province.

We are not even making the attempt to help people who have been in highly paid jobs to get another job of the same calibre and stay in this province, which is what the vast majority of them want to do. They do not want to leave this province. We are very fortunate in that regard. I have lived in a number of provinces. I have never lived in a province where there was such loyalty to the province. That is true of Manitobans and something we can all be proud of, but we need as a Government to respect that and to protect the right to stay in this province.

The federal Government has absolutely no intention of doing anything for Manitoba now or in the future. That is abundantly clear. There may be a few tidbits come three years down the road when they come to

have to get elected again. We saw that last time. The federal Government is an absolute fraud, and the provincial Government is useless beyond belief in dealing with their federal counterparts. They seem to have no sway, let alone any results, to show the people of Manitoba. It is so ironic that the Premier of this province stood up in a debate in the last election and said, he will listen. I just got a call. He is going to listen. He likes me. He does not listen. He probably does not like him. He sure as heck does not read his press clippings.

Mr. Acting Speaker, an interesting report came forward recently from the Canadian Federation of Independent Business. It is specific to the issue of Small Business and Training in Canada, Skills for the Future. I think it is commendable that this group took the initiative to attempt to put forward their ideas about training in the future for this country. They state at page 22 of their report that there is a need for better communication in this area. Governments should review and revise their methods of disseminating information on what funding assistance is available to firms that train. In this context, special mention should be made of the initiative of the Ontario Government, and they point to the Skills Development Offices and the Ontario Skills Development officers that have greatly assisted these labour adjustment strategies in the Province of Ontario.

The province that has the highest percentage of manufacturing jobs in this country knows exactly what it is doing on the issue of labour adjustment. They do not want to lose those highly paid jobs, because they have them now and they know the value of those jobs. They know the value of a strong manufacturing sector where jobs are generally better paid and where the jobs are, in fact, created far more than in the primary industries, the natural resources industry, and other industries in which goods are taken out of the ground or off of the ground.

The Canadian Federation of Business goes on to state that the program in Ontario is being widely used and is a low-cost means of delivering information and expertise in this vital area of skills development and training. They have set up a series of street-front locations throughout the Province of Ontario to assist small business in training their workers and preparing them for the future in their province and in this country.

Clearly, Mr. Acting Speaker, this is the type of thing we should be looking at. We need to be looking seriously at the changing economy in this province and taking seriously the role that small business can play because as much as we all, and in particular the third Party, likes to point the finger at big business, we know that the engine of the Manitoba economy is small business. Small business employs more Manitobans than any other sector in this business sector in this province, and in my view is definitely the engine of our economy and we need to protect the profitability of small business any way we can.

I was pleased, of course, in that regard to see the tax breaks given small business last year by this Government. The fact is that those tax breaks were by no means enough, given that they were limited to

the first year, the first short period of time that a business comes into existence. In fact, a business in that period of time has a tax holiday anyway under the federal income tax scheme. We need to do more in assisting business to deal with the changing economy and train workers and retrain workers as they lose jobs in our changing economy. Of course, we all know that is likely to continue in this province.

Finally, the Federation of Business goes on to state that the training policy reform should go hand in hand with U.I. reform and they point to the need to incorporate further training programs in U.I. reform. That is another example of how this federal Government is bankrupting Manitoba and Manitobans.

* (1500)

We have seen a U.I. proposal which, in my view, would punish Manitoba worse than any province in this country. Manitobans are going to be divided into sectors, geographical sectors, and given certain U.I. policies per sector, dependent on what the statistics in that area happen to be. That, in my view, will punish rural Manitoba. I think rural Manitoba is going to suffer worse than any part of this province, and this province is going to suffer worse than any other province in the country.

For that reason, these changes in the Unemployment Insurance proposals have to be fought, and I have absolutely no confidence in this Government in doing that. It is very unfortunate to have to say that, but that is the bald truth.

Mr. Acting Speaker, an interesting report called the Western Perspectives put out by the Canada West Foundation, talking about Western Diversification indicates that with 29 percent of Canada's population, the west represents only 18 percent of Canadian manufacturing activity. Presumably what we are going to get from free trade, we are going to get some further manufacturing jobs in this province. I remember when we were first elected, I was first elected back in 1988, we had the Chamber of Commerce come and visit us and they held out the hope. The promise they made to us was, we are going to get manufacturing jobs in this promise. That is what free trade is all about, we are going to get manufacturing jobs.

Well, listen, we are waiting and I would be more than happy to eat crow on my predictions about free trade if we could get some manufacturing jobs in this province because the bottom line is we need them, they are the best jobs available. But we have not been successful at all in maintaining the jobs we have or certainly not in growing in that area.

Mr. Acting Speaker, interestingly that report from Canada West Foundation recommends that we invest more in human resources through better education and training, as well, that is consistent with the view put forward by the Canadian Federation of Independent Business. The Canada-West Foundation goes on to state that we need to generate a more skilled and mobile labour force for key areas related to science and technology fields, and high tech is an area in which we, in Manitoba, have again been losing and no help from the federal Government on that one.

I just need to point no further than the CF-18 for that, but again, that is the growth area that we as Manitobans need to be looking to. Unfortunately, our labour adjustment branch has a total increase this year of \$60,000 and it makes an absolute mockery of the statement that was made in the Speech from the Throne, which indicated, I think acknowledged, that the world was changing and that Manitobans were going to need some new strategy to deal with the changing economic environment in this province. We see \$60,000 put aside for new programs, 10 cents per worker in the Province of Manitoba to deal with the changing economic climate in this province.

Well, my answer is: Big deal. Mr. Acting Speaker, I see the nod coming from the Chair and I assume that means that my time has expired. Let me conclude by saying that we, in Manitoba, need a comprehensive thoughtful pro-active labour adjustment strategy in this province; we have not seen it come forward. At the very least this Government must take that initiative. If they are not going to take the federal Government to task, they have to at least be prepared to deal with the reality of the cuts that we have faced in this province and our changing economic climate. Thank you, Mr. Acting Speaker.

QUESTION put, MOTION carried and the House resolved itself into a Committee of Supply to consider of the Supply to be granted to Her Majesty with the Honourable Member of Minnedosa (Mr. Gilleshammer) in the Chair for the Department of Highways and Transportation; and the Honourable Member for Swan River (Burrell) in the Chair for the Department of Agriculture.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY—HIGHWAYS AND TRANSPORTATION

Mr. Chairman (Harold Gilleshammer): I would like to call this section of the Committee of Supply to order to discuss the Estimates of the Department of Highways and Transportation. When the Committee last met we were considering Item 6 Driver and Vehicle Licensing; 6.(c) Safety; 6.(c)(l) Salaries, \$3,909,900.00. Shall the item pass—the Member for Assiniboia.

Mr. Ed Mandrake (Assiniboia): Mr. Chairman, prior to recessing last time, I had brought the attention to the Minister of the tinted glass in the car. I have before me a news article by Mike Ward whereby a particular person was assessed two demerit points for tinted windows on his 1980 Cadillac Eldorado. I find that to be a little bit autocratic to say the least. As I said, I do not think that should be happening. Would the Minister now consider retrieving that demerit points?

Mr. Albert Driedger (Minister of Highways and Transportation): Let me maybe correct the record a little bit. In the case that the Member is referring to, the individual pleaded guilty to the charge. The Registrar has no option when an individual either pleads guilty or is found guilty but to assess, according to the Act and the regulations, certain demerits for that. If the

interpretation of the judge or the individual is that he was not guilty, he should not have plead guilty in that case.

However, I indicated there seems to be some vagueness on the aspect of the tinted glass. We have now set up, as I indicated last time, a committee that will be dealing with exactly that aspect of it, together with the manufacturers, the law enforcement people, the Registrar and his people. We are trying to see whether we can establish a standard that will be acceptable.

Mr. Mandrake: I have just one final question on that, Mr. Chairman. As of when will no charges be laid because of tinted windows?

Mr. Albert Driedger: After this incident came forward this last spring, since then no charges have been laid.

* (1510)

Mr. John Plohman (Dauphin): Last day we were also discussing off-road vehicle exemptions. The Minister had indicated to the committee that he had undertaken some major exemptions for northern Manitoba after consideration by, I believe, a committee of his colleagues and himself. I believe he said there were exemptions made for fishermen and trappers and farmers, but that was originally in the Act as well, those exemptions for fishermen, farmers and trappers, as I recall, unless this went beyond that.

In addition, he also made across the board exemptions for registration, licensing requirements, age restrictions, helmets, completely in the North. He said it was because, I paraphrase something to the effect that it is the only form of transportation they have in the North and so on. I did not really understand the rationale there. I think it is even more reason if it is the only form of transportation in the North that safety be a primary concern since it is the main form of transportation. There is no other alternative. There is that much more opportunity for people to be injured and hurt through the use of these vehicles. It is very important to have a very positive attitude towards safety and the things that can happen, the negative impact of using these machines improperly.

It seems that the Minister, in making these across-the-board exemptions, really gave up any hope of following up with safety for these people. Obviously we were not putting this Act in place initially because we wanted to impose regulations on people. It was designed to assist in the saving of lives and preventing of injuries, and associated with that, of course, the pain and suffering and the cost to medicare. All of those things are reasons why this Act was put in place.

Of course, the Manitoba Medical Association was very much a proponent and they also felt very strongly that there should be an age restriction. They wanted it at 14 years, I believe. But we went with 16 because we felt that it was legitimate, or I believe they wanted it at 16 and we wanted it at 14. I am not certain which one it was, but we did have a different one than they did. It was important to remember that children cannot handle these machines safely in many cases.

As a matter of fact, some of the studies that have been undertaken and accidents involving off-road motor vehicles in a northern community, a clinical study was done by Paul Haslbeck and Helen Rosa Wilding in Hudson Bay, Saskatchewan, that I think I mentioned, during 1985. The records of victims of all motor vehicle accidents were seen at the Hudson Bay union hospital. Almost half of the victims of off-road vehicle accidents were under 16 years of age. The poor adherence to Government legislation and manufacturers' recommendation was evident in the number of people who did not wear helmets or use headlights.

It also found that children under the age of 16 years accounted for 45 percent of the people involved in off-road vehicle accidents, and only 33 percent of the people involved in off-road vehicle accidents had been wearing helmets. So there seems to be a correlation between requirement for helmets and the attitude towards safety of people using them. That is borne out by other information that we receive from the MMA that at Baker Lake in the Northwest Territories, I believe, it is where helmets are strictly enforced, the number of accidents was ten out a thousand per population. At Eskimo Point, another remote community, where no helmets were enforced at all, the number of accidents was 17 per thousand. Almost, well, getting close to double.

Yet you would think, what do helmets have to do with accidents? Obviously, it is in the attitude towards the operation. So I think it is very important—I can understand that maybe the Minister did not want to upset the people in remote communities for various reasons, politically or otherwise. Maybe he thought the enforcement would be very difficult and so on. That is why we made provisions in the Act for exemptions in case some of these eventualities develop. But we also envisaged working closely with those communities, with the bands and other people of authority, to develop safety programs and attitudes of safety for the good of their children, for the good of their communities and including them in that. I could see including them on a safety committee that they would administer with support services from the department so that they could actually self administer and enforce these kinds of requirements because they believe that it is in the interests of their children and it is going to save their lives, it is going to prevent injuries and so on.

It seems to me even more important in remote communities because they do not have access to hospital facilities in many cases readily. So obviously, a lot of them where there are air strips, they have access to the air ambulance, but you know, these accidents happening in remote areas, it makes it pretty difficult. They are doomed to much more serious consequences from an accident than a person in the City of Winnipeg, for example, who can readily be taken to a major hospital and the best health facilities available.

For example, I had a brother who was killed in the power take-off of his tractor in 1974 on a farm somewhere out away from traffic and so on in a relatively remote position. If this had happened close to hospital facilities, perhaps he could have been saved. However, he died, and no one found him for a while and he had

a long distance to be transported by truck over to the nearest hospital and then by ambulance and he did not make it. That is the kind of thing that can happen when there is so much distance, and try as we might to try and equalize services, medical services, it is even more important because of the remoteness that safety programs be put in place to prevent these accidents.

I know that the Minister may have felt that this was going to be difficult to enforce and there would be a reaction to it, but I wonder if he has just capitulated completely insofar as safety in these areas, or does he recognize this importance. More than that, because it is nice to give platitudes and say it is recognized, but is he doing anything to actually start to redress the problem of accidents on off-road vehicles in these remote communities now, since he has thrown out the whole law to apply in those areas?

Mr. Albert Driedger: Mr. Chairman, I wonder if the Member has all his questions forward now. I am trying to keep track as he rambles on with his questions. He started off by asking whether the exemptions, there was provision for them. Well, the exemptions that we made in the three initial categories went beyond what he had been discussing and, yes, we made a further exemption for remote communities.

Unfortunately, maybe he should have caucused with his colleague, the Member for Churchill (Mr. Cowan), who was here the other day when we were discussing this issue and applauded the exemption for remote communities outlining the concerns of why they should be exempted. So we do not have necessarily a consistent approach here.

At that time, and I can -(interjection)- that is fair enough, and if the Member wants he can either take the comments out of Hansard as they were made last time, or I can go through this whole thing again explaining exactly the process that we went through, why we went through this thing and—

Mr. Plohman: A point of order, Mr. Chairman.

Mr. Chairman: On a point of order, the Member for Dauphin.

Mr. Plohman: I asked a specific question, of what is he doing to address the issue of safety. I did not ask him to go through how he got to make these exemptions. When I said provision for, I meant that we put in a clause in the legislation which allowed for exemptions in any form for the whole Act, even. That is what enabled the Minister to do it without coming to the Legislature, so that provision was there.

Mr. Chairman: A dispute over the facts is not a point of order.

Mr. Albert Driedger: Mr. Chairman, I find it very interesting. Here it is a year and five months since we took Government and every time we have moved on something, this Member, whether it was in the Department of Natural Resources or the Department of Highways, has already initiated that and just did not quite get it done.

As far as this legislation was, this legislation was passed, we proclaimed it, and then after it was proclaimed, then we had to go back and make provisions which we thought were necessary, and we had a committee of four Ministers who basically were involved in that. We did the first series of it and then we went to the next step which was when we had the complaints, and found the enforcement problems we had in the remote communities. We then reconsidered, and if the Member feels so strongly that we should be applying the legislation to those communities as well, possibly he should consult with some of the chiefs in communities that we have been in touch with that have responded very strongly about the position, and appreciate the fact that they have the exemption as we have it now.

I also indicated the other day that we will be monitoring this to the best of our ability. It is difficult to do but we will be doing that and watching it. If there is going to be a rash of accidents that we can statistically show, to some degree, that the lack of the application of legislation in these communities has an impact, then we will be prepared to readdress it again.

At the same time, I also talked about the possibility because we are now registering, getting revenue out of the registrations, et cetera, that we would be probably looking at developing either courses or training programs that we should maybe be offering to communities of this nature.

So I indicated that last time, and will again, that we will be looking at this very closely. At the present time we have made these exemptions, we will look and see what the reaction is, we will be continuing to consult with the communities. If there is even an indication that they would be receptive to having this applied, aside from the difficulties of actually doing the registration, then we would do that. This is not cast in stone, we have made these four exemptions at the present time, and I am prepared to take and review it if the situation calls for it.

* (1520)

At the present time this is how we have it, and we will keep on watching it and seeing how this develops in terms of injuries. Naturally safety is a major concern, but these are communities when we talk of having a limit of 14-year-olds driving off-road vehicles in the North, the Member full well knows if he wants to state statistics from Eskimo Point, and Bakers Lake, I have been up in those communities. There are four- and five-year-old kids driving the machines. I am not saying that is necessarily safe or should be done that way, but that is what is happening out there.

When we talk about remote communities, we spent a lot of time not with just the politicians who were involved in the decision making. There were representatives from MPIC, from our safety people, from Northern Affairs, and enforcement. We had a lot of people who were involved in making these decisions. We did not just off the cuff decide all of a sudden we were going to make a further exemption to remote communities. In view of that we will continue to look,

together with these various departments, to see where there is a need for further change.

Mr. Plohma: Well, the Minister is choosing to take my comments out of context. I actually played down his decision making on a political basis and so on. If I want this implemented now, he says that I should say it or whatever. I never said that I wanted this Act implemented in its entirety. That was still out. The jury was still out. As a matter of fact, we tried to consult with the northern Chiefs and their organizations. They did not respond when we did our consultation. So we knew there had to be an aggressive effort made to consult before this could be implemented. That is why we have made the provision in the Act for exemptions if a Minister or Government at any time decided to put those exemptions in. That is what I said to the Minister. He should not take out of context my statements about exemptions.

I am not taking credit, nor do I want to take credit, for all the exemptions the Minister announced in July. The fact is he was able to do that without coming to the Legislature because there was a provision for blanket exemptions. That is all that I said insofar as I am not taking credit or trying to for those.

What I am saying is that he has to do more than just say, well, if it can be shown statistically that there is a rash of accidents or whatever—it is just stalling the whole thing. He knows that there are serious problems with these when children are operating them. He has a responsibility to ensure that safety programs are put in place in an aggressive way, not looking at putting, I heard him say, safety programs or whatever. He should be putting in place safety programs now in conjunction with the Native groups and the bands, not imposing them, but discussing with them the need and developing with them the kind of program that would suit their community, and their children, and their people. That is what I am suggesting to the Minister. It is an honest suggestion made with the greatest sincerity. I believe that it is not proper to generalize.

The Minister said, I have been up in those communities, and there are five year olds, and some of them do, because of their elders in the Bands and the people in authority, because of their attitude towards this, and because they realize it is so necessary to have safety programs, they do in fact enforce, and they find that there are a lot fewer accidents in those communities where they enforce, because people are more aware of the dangers of these things.

So that is all I am saying to the Minister, that he could consider moving as quickly as possible into some type of safety, in lieu of the fact that he has no legislated requirement to legislate safety in those areas, which is a difficult thing to do anyway. It is attitudes and education that are the primary importance, but sometimes if you do not have it as law as well, legislated, then it tends to get ignored. Now it can be ignored. There is no enforcement at all, and there is no requirement.

Does he agree that it is a major problem? Does he agree that he should undertake to put in place safety programs?

Mr. Albert Driedger: Mr. Chairman, as I indicated before, we are looking at developing some programs. What we will continue to do is consult with the remote communities to see whether we can come up with some that will be acceptable to them in terms of safety as well as in terms of implementation. That is the assurance that I can give the Member.

Mr. Plohman: Well, thank you, Mr. Chairman, I appreciate that from the Minister. Once again I just re-emphasize the importance of it and clarify clearly with him that I felt that there was a lot of work to be done in consultation before this could be legislated and imposed in the remote communities. So I understand that he took a different tack there with southern Manitoba, but it means there is all the more reason why it is so urgent to have safety programs put in place.

Mr. Mandrake: Mr. Chairman, I have just a couple of short questions on the all-terrain vehicles. There is a present regulation that I think is 250 cc's—anything over 250 cc's, does it require insurance or some type of regulatory regulation?

Mr. Albert Driedger: Mr. Chairman, every off-road vehicle is required to be registered except for those four sets of exemptions that I have indicated.

Mr. Mandrake: The Member for Dauphin (Mr. Plohman) makes a very, very valid point, and I appreciate what the Minister says that he will maintain the statistical information for us, but is this going to mean medical statistical information? That is what I think we would be most interested in. Accidents is all good, but I would prefer to see the medical statistics, plus the accidents.

Mr. Albert Driedger: Mr. Chairman, it would involve both. I would also indicate that, based on the position that the Manitoba Medical Association has taken with this, I will be meeting with them in the near future to discuss their position on this. They necessarily do not agree with the exemption that we have created for remote communities, and we will be sitting down with them, discussing it with them and trying to work out something that could be agreeable to them as well as to the remote communities.

Mr. Plohman: Mr. Chairman, I think this Member for Assiniboia highlights the reason why the Minister has got himself in a dilemma here and created a lot of difficulty in getting statistics, because that is the problem that we have had all along. When you are dealing with remote communities, no one knows how many machines there are out there. They are not registered and licenced, and there is just no way of keeping track of all these things, unless there are specific studies done in a community where it is an intense type of study where everyone is monitored.

What the Minister will be able to do is get medical reports when there is a serious accident or serious injuries resulting from that accident, and the air ambulance, for example, is used or they are flown out for medical treatment, perhaps there would not even be the records to the nursing stations very easily

available to the Minister; but in the nursing stations where minor injuries are treated, that would be possible perhaps to get that kind of report. He certainly will not be able to get the record of accidents, because a lot of them will go completely unreported, no one will ever know. Therefore, unless it is of a real serious nature, where the individuals had to have been flown out for medical treatment, no one will ever know.

So it is very difficult then to quantify this kind of thing. But where they have done studies—and that is why I quoted from those studies in Hudson Bay, Saskatchewan. The comparison that was made at Eskimo Point and Bakers Lake, they see that there is a correlation and that it is a serious issue. That is why I think the Minister should, at least, consider—if he is not going to implement immediately at least consider—an education program initially at least for helmets.

* (1530)

The other one is consider the age restriction, because it is quite clearly shown scientifically that children who just do not have the strength—seven years old, and the Minister talks about five and six years old—to handle those machines in any way in a safe way. Those children are no stronger in those remote communities, no more developed than the people anywhere else in Manitoba. For the reasons I stated earlier, it is so important, because they cannot get medical attention perhaps, and so on, that this be considered.

So I think those two the Minister should give special consideration to moving on.

Mr. Albert Driedger: Mr. Chairman, at the present time we have a system that we are working on together with MPIC in terms of trying to track these accidents, but this is done at the present time under a manual system. We are trying to develop a computer system to be able to track this. We are in the development stage of that program right now. We will be working together with the MMA to try and get some more precise information because the MMA—basically where we have hospital stations, the reports of somebody getting hurt come in, and we will try and develop that, in conjunction with MPIC and in conjunction with my staff, in terms of being able to start developing that computerized program which will allow us to track this more precisely.

We will be watching it very extensively, as I indicated last time the committee met. We are not treating this in an off-hand manner. We are very concerned about it. We will be watching it very closely. That is why we are developing this program, to do that. Certainly we are very concerned about the safety aspect of it.

What we are trying to do, we have made these provisions at the present time. If actions call for it to change we certainly are not going to be hesitant about changing some of these things. We want to develop something that we can go back to the communities and explain to them as well, in terms of maybe developing safety programs in conjunction with them.

We have not done this in an arrogant type of way that we imposed something or made an exemption. A lot of time was spent in terms of considering this

exemption for remote communities, and many people are going to be very much concerned and watching this.

We know the kind of pressure we are under in this respect and that is why we are trying to develop something that we can take and use for information purposes.

Mr. Plohman: Just one small last point on this, and that is, it is going to be very difficult for MPIC to have accurate records, automated or otherwise, if there is not a requirement for registration and licensing, because they are just not going to have a record of the machines in the North. They will get it for the rest of Manitoba but they will not have it for there.

It is kind of a vicious circle. If you do not have that requirement, then you cannot get the statistical information to determine whether you need the other, the helmets, the age restrictions and so on. That is the difficulty.

Mr. Chairman: Item 6.(c)(1)—pass.

Item 6.(c)(2) Other Expenditures, \$719,300—the Member for Assiniboia.

Mr. Mandrake: I just have one question here. Recoverable from Canada of \$40,000, what is that for, please?

Mr. Albert Driedger: Mr. Chairman, National Safety Code.

Mr. Chairman: Shall the item pass—pass.

Item 6.(d) Manitoba Public Insurance Corporation Cost-Sharing Agreement, \$2,912,100—the Member for Dauphin.

Mr. Plohman: I just want to ask the Minister to clarify the change there of some \$200,000.00.

Mr. Albert Driedger: Mr. Chairman, \$170,000 of that is in commissions, increase in commissions, and also flat fees allowed for incremental costs of 5 percent file growth of \$15,000.00.

Mr. Plohman: So there is no change in the formula of the agreement?

Mr. Albert Driedger: Mr. Chairman, no.

Mr. Mandrake: The Member just mentioned something that caught my eye—Agreement. I am sorry, I am sure the Member for Dauphin (Mr. Plohman) knows what the agreement is, but I do not. Could the Honourable Minister please provide me with that agreement?

Mr. Albert Driedger: Mr. Chairman, vehicle insurance registration system, Manitoba Public Insurance Corporation pays vehicle agents commission for each new issue or renewal of a vehicle registration insurance certificate. The rate of commission paid to agents by MPIC is equal to 5 percent of the basic insurance

premium assessed on the certificate. DDVL reimburses MPIC a set rate for each certificate handled by agents. Currently it is \$2.99. This rate is increased each year by the amount of the consumer price index.

An Honourable Member: Point of order, Mr. Chairman.

Mr. Chairman: The Member for Assiniboia, on a point of order.

Mr. Mandrake: Thank you, Mr. Chairman. I am not asking for him to recite it, please table it for me.

Mr. Chairman: The Member does not have a point of order. The Honourable Minister has a certain amount of time to respond.

Mr. Albert Driedger: Mr. Chairman, this is not a long answer. I am just trying to—the Member asked a question and I insist on answering that question.

The price index, CPI, for the City of Winnipeg, the terms of the agreement requires the Government of Manitoba to reimburse MPIC \$2,600,000 for collecting approximately \$22 million in vehicle registration fees in 1987-88. Under the driver licence and insurance system, DDVL pays driver licence agents a commission for issuing drivers' licences. The rate of the commission paid to the agents is 80 cents for each licence issued. MPIC reimburses DDVL 40 cents for each driver licence issued by agents for which an insurance premium was collected. The terms of the agreement require MPIC to reimburse the Government of Manitoba the paltry sum of 86,000 for collecting \$36,500,000 in vehicle insurance and driver surcharges in '87-88.

Mr. Chairman: Shall the item pass—pass.

6.(e) Transport, Safety and Regulation: (1) Salaries \$149,000—the Member for Assiniboia.

Mr. Mandrake: I just wanted to ask the Minister as to the ruling. Has it been tabled about those two companies that had applied for a licence in Manitoba?

Mr. Albert Driedger: I am sorry, I wonder if the Member could repeat the question.

Mr. Mandrake: There were two trucking companies that were not granted a licence under the Motor Transport Board. Has this problem been resolved or is it still in the courts?

Mr. Albert Driedger: That comes under the next page where we have the Motor Transport Board. If the member would have patience to wait until then, I will have my chairman of the board here and we can deal with it them.

Mr. Chairman, while I have the floor, I have some information here that I would like to table, basically the additional safety code for commercial trucks and

buses, for the Members. This is a status report of the implementation of the National Safety Code standards for the Province of Manitoba.

Basically that indicates, under the National Safety Code Program, which was developed for the Members' benefit, the standards and if they have been implemented, implementation source, deviation from National Safety Code standard and the comments. I think that question was raised earlier. I thought I had actually submitted that, but I guess I had seen it and I had not tabled it, so information is available now.

* (1540)

Mr. Mandrake: Under that particular section, I noticed approximately \$20,000 has been increased in salaries. Could he explain that then, please?

Mr. Albert Driedger: I am informed that is an increase in increments, the merit increases that are allowed, and the payout is for a retirement pension payout for one employee.

Mr. Mandrake: How much was that?

Mr. Albert Driedger: Approximately \$7,500.00.

Mr. Plohman: I thank the Minister for the update on the safety code. It seems that most of the various components of it have been implemented with only two remaining and they are to be implemented by 1990, I guess one March, and one that is the carrier profiles and the facility audit standards by October. So there has been a lot of progress made and I just want to express my satisfaction in seeing that. I know that the staff probably feel very good about it as well, because it was a very difficult process to develop and to implement and yet has been done very quickly. So everyone who is involved with it deserves a great deal of credit for that.

Mr. Albert Driedger: The expression of gratitude is noted, and I certainly support that aspect of it. We have a very capable staff and have done a tremendous job.

Mr. Mandrake: Under 8, unable to legislate for roadside blood samples to test for drugs. Why was that mentioned? That is against the Constitution to take blood out of a person. I do not even know why it would even be mentioned. You cannot take blood out of a person.

Mr. Albert Driedger: Mr. Chairman, I will try and explain this to the Member.

At the present time we have provisions to give a breathalyzer test on the highway. We do not have the equipment available to do a capable blood test on the road side. So that has to be done in a hospital or with the qualified equipment and doctor available. So that is why it is there.

Mr. Mandrake: What happens if the driver says, no?

Mr. Albert Driedger: No to what?

Mr. Mandrake: No to the blood test.

Mr. Albert Driedger: There is legal provision that if an individual does not want to have his blood test taken, for the authorities to take him to the hospital and have it taken.

Mr. Mandrake: Could the Minister please table that legal authority for me, please?

Mr. Albert Driedger: Mr. Chairman, staff advises me that we will be prepared to table that. We do not have it right here, but we will get that for the Minister.

Mr. Chairman: Shall the item pass—the Member for Dauphin.

Mr. Plohman: Just another question, the Other Expenditures under, or are we on Salaries yet?

Mr. Chairman: Yes.

Mr. Plohman: Pass.

Mr. Chairman: Item 6.(e)(2) Other Expenditures \$99,700—the Member for Dauphin.

Mr. Plohman: I just wanted to ask the Minister the 99,000 that did nothing in there the year before, what are we dealing with here?

Mr. Albert Driedger: Mr. Chairman, part of the program that we have not completed is the carrier profile. This money in there is the provision for developing that profile, and we do not know yet whether we will do that in-House or out-House, whether we will do that within the department or whether we will go outside for that. That is the provision for it there.

Mr. Mandrake: Just one question: Recoverable from Canada \$223,000, what is that for?

Mr. Albert Driedger: That again is for the National Safety Code.

Mr. Chairman: Shall the item pass—pass.

Resolution 77: BE IT RESOLVED that there be granted to Her Majesty a sum not exceeding \$14,456,000 for Highways and Transportation, Driver and Vehicle Licensing, for the fiscal year ending the 31st day of March 1990—pass.

No. 7, Boards and Committees: provides general supervision over motor carriers and operation of public service vehicles and commercial trucks; administers The Highway Protection, Highway Traffic and Snowmobile Acts; provides an appeal procedure for citizens whose driving privileges have been suspended and regulates taxicab, limousine and handi-van licensing within the City of Winnipeg.

Item 7.(a) Motor Transport Board, (1) Salaries, \$549,700, shall the item pass? The Honourable Minister.

Mr. Albert Driedger: For the benefit of those who maybe are not aware, I would like to introduce Don

Norquay who is the chairman of the Motor Transport Board and also the acting chairman for the Taxicab Board. Thank you.

Mr. Mandrake: First of all, I will start off by asking: there was an increase of \$19,200 on salaries, could he explain the increase or is this—what is it for, increments?

Mr. Albert Driedger: That is the merit increment increases.

Mr. Mandrake: Before I go into questioning, prior to our recess on Tuesday I mentioned to the Minister that I would get him a copy of the Manitoba Environment Research Council letter that I had. I said I would table it for him and I would like to now give it to the Minister.

Mr. Albert Driedger: No pictures?

Mr. Mandrake: The Minister says no pictures. Unfortunately not this time, but I will get some for him next time. That is about the only thing he understands is pictures.

There are several trucking companies that applied for licensing in Manitoba. It went before the courts. Has it been resolved and what is the status of these trucking companies?

Mr. Albert Driedger: Both the cases have been dealt with in court and in both cases licences are being issued. However, I might indicate that we are looking at the advisability of appealing that decision to the Supreme Court.

Mr. Mandrake: The Motor Transport Board held hearings on signs last year. Could we be provided with what this was all about, what is the final decision? The other thing, too, is that I would like to know what it cost to the Manitoba taxpayers to have this travelling show band going throughout Manitoba?

* (1550)

Mr. Albert Driedger: Well, Mr. Chairman, the Member makes reference to this travelling show band going and what it costs to the ratepayers in Manitoba. It appears that the Liberal Party has been noted for its travelling showcase in the Province of Manitoba. Aside from that the question that the Member raises deals with the Highway Traffic Board. I have the Chairman here for the Motor Transport Board and the Taxicab Board. I wonder if we could deal with those first. Then I am prepared to deal at whatever length the Member wants with the Highway Traffic Board, who basically deal with the signs.

Mr. Mandrake: I want something on record here, Mr. Chairman. The Member says that we do a lot of travelling. It comes out of my pocket, not out of the people of Manitoba, so let us get that on the record, please.

Mr. Chairman: Shall the item pass—the Member for Dauphin.

Mr. Plohman: Mr. Chairman, I just wonder if the Minister could indicate the current number of cases backlogged at the Motor Transport Board, the number of months that applications have to wait, and the assessment of the procedures at the present time in terms of hearings. Are there hearings being held for all the cases, or are most of them being eliminated as a result of a summary procedure with a written procedure that takes place to reduce the number of hearings that are required?

Mr. Albert Driedger: Mr. Chairman, in view of the anticipated question, I would like to indicate for '88 and '89 the applications that were filed and how they were dealt with. In 1988 we had 398 applications filed, and pending at the end of 1988 was 214, granted in—

An Honourable Member: What is that, 398, you say?

Mr. Albert Driedger: 398, yes.

An Honourable Member: 214

Mr. Albert Driedger: Were pending, a decision not made on, that was the backlog including the carry-over. There were 218 granted in full; 218 granted in part; one was denied. Now for 1989, we had 291 applications, and we presently have 188 that have not been dealt with, pending. We have 173 that have been granted in full; we have 43 granted in part; and two have been denied.

Mr. Plohman: Yes, Mr. Chairman, I asked about the number of fullfledged hearings that were held. I would assume that all of these were not hearings before the board, that some were determined on the basis of a summary process. Maybe there is another word the Minister will use.

Mr. Albert Driedger: Mr. Chairman, the vast majority were dealt with without the public hearing.

Mr. Plohman: So, Mr. Chairman, how many public hearings were there?

Mr. Albert Driedger: Mr. Chairman, we do not have that information available right now. We will be prepared to forward that.

Mr. Plohman: Yes, Mr. Chairman, were the majority of these from out-of-province carriers?

Mr. Albert Driedger: Mr. Chairman, over 60 percent were from out of province.

Mr. Plohman: Yes, Mr. Chairman, there are a couple of denials in 1989. Can the Minister just summarize briefly what the reasons for denial were? Is it based on fitness or on detrimental impact on the public interest?

Mr. Albert Driedger: Mr. Chairman, detriment to the public interest.

Mr. Plohman: That is very interesting. I would like to find out more about those and I do not expect the

Minister to explain that in full detail here, but perhaps he could give us a copy of some of the rationale because certainly that is what we envisage. It is a very small percentage here of those that are being denied, but still there are some denials and they are still on the basis of the public interest. That means that there is some kind of a test still prevailing.

The Minister of Northern Affairs (Mr. Downey) said, are you suggesting that we should not consider the public interest, or something to that effect? Well, he should consider that his colleagues in other provinces have done precisely that. That is no longer a consideration. They do not consider the public interest. It is simply a matter of a fitness test, whether they are willing and able and financially able, and so on.

So clearly, it is this province that has protected the public interest in this regard and something that I am pleased to see is continuing, and that is why I am raising this matter, contrary to what the Minister of Northern Affairs (Mr. Downey) maybe thinks are the reasons for it.

The fact is that it seems that in two cases in 1989, there was enough consideration of the impact of public interest that they were denied. I just want to get some of the background for the reasons to have a better understanding of how that is being applied and would be satisfied simply with a written response to that because it is of very deep concern to a lot of people, perhaps other provinces who do not want to see this kind of a test applied. I am wondering at this time whether the Minister can clarify whether any other provinces are continuing with what we might call a meaningful test for entry into the trucking business, or whether all those provinces now have gone to simply a fitness test only.

Mr. Albert Driedger: Mr. Chairman, I want to maybe just do a bit of a summarization of exactly what has happened. First of all, I want to indicate that our position has not changed at all from the position that the previous administration had when the chairman of Motor Transport Board, together with the Minister at that time, felt that the fast deregulation would hurt the trucking industry in Manitoba, subsequent to that raised the case and got federal legislation passed to allow a five-year transition period.

* (1600)

There has been tremendous pressure coming down, as I indicated previously already, in terms of other provinces. Like, Alberta for example, has never been regulated, I suppose, to any degree, certainly not to this extent. So some of the provinces are totally deregulated at the present time. We have been hanging on to our position. I suppose maybe I, myself, without fully understanding at a certain stage of the game earlier on, did not have a comfort level because of the pressures I was getting, feeling that we were maybe not complying with the desires of the federal Government and the federal Minister.

However, once we got into the nuts and bolts of it, to some degree, I took the issue back to my colleagues

and the position of Manitoba has been unchanged in that we want to follow the federal legislation that is provided for, to take as much time as we can in terms of deregulating the trucking industry. There are two sides to the coin. There is the group that lobbies extensively even within the province. Certainly the industrial people are lobbying extensively for instant deregulation.

However, when you consider the fact that we have 19 out of the 40 national carriers stationed in Manitoba, that we are exporters—possibly the biggest exporters of transportation services in Canada, ourselves, and I believe New Brunswick—we felt that instant deregulation or escalated deregulation at this stage of the game would create all kinds of confusion in the industry.

So our position has remained that we will take—and the Member is probably aware that we have certain carriers that are opposing these applications. So that it has actually slowed the process down to some degree. We will do everything possible to keep on the track that we are on now to take the maximum time to allow the industry to adjust to the deregulation. As indicated by the figures that I gave, the majority of the applications of course come from outside the province. Everybody wants to get into the action here.

Further to that the Member asked whether there are still other provinces that still have hearings. There are four provinces—New Brunswick, Ontario, Saskatchewan, and B.C.—that still have a hearing process in the broadest sense. However, I think full truck loads are deregulated pretty well across the country. For all practical purposes, truck loads basically are already deregulated everywhere but here. So we are probably the slowest guys on the block and we hope to stay in that position.

Mr. Plohman: I have just a couple more short questions. I understand from the Minister that he will give us some of the reasons why two were denied. I am not arguing with why they are denied. I do not need that again verbally. It might get rather complicated. A written response would be satisfactory. I just want the Minister to confirm.

I would just ask him though if the decisions were reached then on a reverse-onus context? That means that the interveners had to prove that it was not in the public interest to allow these carriers to be granted the authority. Is that the basis for the decisions? So therefore, the board found that it was not in the public interest based on the intervener's evidence? Just a confirmation or very short answer on that would be satisfactory, if the Minister is going to provide more details in written form.

Mr. Albert Driedger: Mr. Chairman, without going into detail at this stage of the game, I am prepared to try and provide the member with the principles of the reasons for the decision at a later time.

Mr. Plohman: Well, I appreciate that and I appreciate that the Minister is continuing to implement a program of slow transition. I think that the industry appreciates

that and needs that time, as was planned for and as we struggled for over the years. The real test will be in the evaluation. I mentioned this to the Minister the other day, but the Motor Transport Board chairman was not there at that time. That is, does he feel that there will be a chance of having a meaningful evaluation process, and is there any chance of extending the transition time, or will it be unnecessary in his mind, in this province? In other words, we have a five-year transition period which could be extended by Order-in-Council?

Mr. Albert Driedger: Mr. Chairman, it is our feeling that the possibility of extending that is virtually nil because the federal Minister, already on a few occasions, has indicated he would like to see Manitoba escalate the activity. In fact, there have been some efforts made by the federal Government and certainly supported by the other provinces that we should be escalating our activity. So based on that, we will try and continue to follow the federal legislation as I indicated before, but we are not hopeful at all of any extension whatsoever with the pressure that is on right now.

Mr. Plohman: Mr. Chairman, one last point. I would encourage the Minister to push for a meaningful evaluation at the end, at least in terms of its impact here in Manitoba, which is going to be a unique case then in terms of its implementation right across the country though, so that there is an effort made to determine if in fact what the impact was on the trucking industry and on the public, on rates and everything concerned and associated with it.

So I just encourage the Minister to pursue that, and that is all I have to say at this time in the interest of time.

Mr. Albert Driedger: Mr. Chairman, it is my understanding that the federal Government will be doing an evaluation at the end of the legislation. How meaningful that will be, that is anybody's guess.

Mr. Plohman: Try and do something.

Mr. Albert Driedger: Well, we will certainly have our input into it, and I have to indicate that we have been strongly resisting the attempts to have an escalated deregulation take place. I feel real comfortable with it. I also have the full confidence in the chairman in terms of how he is directing this activity at the present time.

There is tremendous pressure on the chairman as well, certainly from the trucking industry. You know there is a good portion, even within the province, that would like to see this deregulation take place. It has been a very difficult and trying course, I guess, for the Motor Transport Board and the chairman to direct it. I cannot applaud him too much because he might want a raise, not that it is not deserved either, but most certainly I think that Manitoba can be proud of the way our Motor Transport Board has been dealing with the issue, compared to some of the difficulties in some of the other provinces, the way they dealt with it and interpreted it. So there have been some very, very challenging times.

Mr. Plohman: Mr. Chairman, just one more. I would like to concur with those comments and add my appreciation to the chairman's job, that he has been doing right across this—in a leadership role, I think, in his position in this country.

Mr. Chairman: 7.(a)(1)—pass.

7.(a)(2) Other Expenditures, \$113,900—the Member for Assiniboia. Order, please.

Mr. Mandrake: Just one question, Mr. Chairman. Could the Minister—

Hon. Donald Orchard (Minister of Health): NYPD.

Mr. Chairman: Order, please; order, please.

Mr. Plohman: We have got the Minister of Health again raising—

An Honourable Member: He sure gave you a . . . yesterday.

Mr. Chairman: Order, please.

Mr. Plohman: I do not think he did, he distorted facts as usual.

Mr. Orchard: I just . . . at the truth.

Mr. Plohman: . . . lied as usual.

An Honourable Member: Point of order, Mr. Chairman, withdrawal.

Mr. Orchard: Obtuse comment.

Mr. Chairman: The Honourable Member for Assiniboia.

Mr. Mandrake: Mr. Chairman—

POINT OF ORDER

Hon. James Downey (Minister of Northern Affairs, and Native Affairs): A point of order, Mr. Chairman.

Mr. Chairman: On a point of order, the Minister of Northern Affairs.

Mr. Downey: I heard the Member for Dauphin (Mr. Plohman) make an unparliamentary comment about my colleague, the Minister of Health (Mr. Orchard), and I would ask him to apologize and withdraw.

An Honourable Member: Hear, hear!

Mr. Orchard: Name him, Mr. Chairman.

Mr. Chairman: We will take the matter under advisement and review Hansard.

Mr. Orchard: Oh, he is going to sneak away with that, is he? Some integrity, the Member for Dauphin has.

Mr. Chairman: The Member for Dauphin, on a point of order.

Mr. Plohman: Mr. Chairman, this Minister—

Mr. Chairman: On a point of order?

* (1610)

Mr. Plohman: Yes, on a point of order. The Minister of Health put misinformation on the record again yesterday, and I stand by that fact. Now, if he interprets it as something other than lying that is fine. I will not call him a liar, but certainly he put misinformation on the—

Mr. Orchard: Oh, Mr. Chairman.

Mr. Plohman: —as a matter of fact it deals with Highways and Transportation. This Member for Pembina, the Minister of Health (Mr. Orchard), Mr. Chairman, has continuously stated—and yesterday, now he is inflating the costs of a bridge by some \$11 million. That is not factual and it is about time he started to put the correct information on the record. So I stand quite clearly with what I said, but if lying is unparliamentary I will not leave that on the record, but certainly it is misinformation and it is not factual.

Mr. Chairman: The Honourable Minister of Health, on the same point of order.

Mr. Orchard: Mr. Chairman, yes, on the same point of order. Unequivocally the Member for Dauphin has used unparliamentary language, unparliamentary accusations. It is on the record, you have heard it. I wish you would ask him to withdraw or have no other alternative but to name the Member, and expel him from the committee.

Mr. Chairman: A dispute over the facts is not a point of order. We have already indicated we will take the matter under advisement.

The Member for Assiniboia, on a new point of order.

Mr. Mandrake: Please, Mr. Chairman, the Honourable Minister of Health (Mr. Orchard) constantly comes inside this committee room and he is harassing people. I would appreciate very much if the Honourable Member would stop playing like a little child and have respect for other people.

Mr. Chairman: A dispute over the facts is not a point of order. The Honourable Minister of Health.

Mr. Orchard: Mr. Chairman, on a point of order. There is no dispute over the facts. The Member for Dauphin (Mr. Plohman), before you, Mr. Chairman, made an allegation, unparliamentary language, on the record with you listening. I wish you would ask him to withdraw it. You need not review Hansard to listen to the words the Member has just uttered on the record. It is not a dispute over the facts, it is an accusation that is unparliamentary, and I wish a withdrawal and an apology from the Member for Dauphin.

Mr. Chairman: The Chair did not hear the remarks. We have indicated we will take the matter under advisement and review Hansard.

On Item 7.(a)—the Minister did not have a point of order.

Mr. Chairman: On (a)(2) Other Expenditures—the Member for Assiniboia.

Mr. Mandrake: Mr. Chairman, could the Minister please advise the committee as to -(interjection)-

Mr. Chairman: Order, please. We are having some difficulty hearing the Member I have recognized. If Members want to carry on a private conversation, we would ask them to withdraw to the back. The Member for Assiniboia.

Mr. Mandrake: Thank you very much, Mr. Chairman. Could the Minister please advise us to the reason for the increase of \$24,900 in Other Expenditures?

Mr. Albert Driedger: Yes, most certainly. Because of the ongoing escalated hearing process, those are the costs that are related to the hearing process. The board has been sitting almost on a daily basis to deal with the applications. As indicated by the figures that I gave before, that is the reason for the increase.

Mr. Chairman: Okay, we are on item, Other Expenditures \$113,900—pass. The Honourable Minister.

Mr. Albert Driedger: Mr. Chairman, I wonder, with the indulgence of the committee, whether we could deal with the Taxicab Board next, because the chairman, Mr. Norquay, is here at the present time—just to expedite so he does not have to waste his valuable time.

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

The Acting Chairman (Mr. Helwer): Is there leave of the committee then to skip the two items and go on to (d) Taxicab Board?

Some Honourable Members: Leave.

The Acting Chairman (Mr. Helwer): Okay. (d) Taxicab Board: (1) Salaries \$164,800—the Member for Assiniboia.

Mr. Mandrake: Mr. Acting Chairman, under the Taxicab Board, could the Minister please advise this committee as to the registration of buses which are vans?

Presently they just have a normal plate on it. Some of those vans carry approximately, I think it is around \$5 million worth of insurance. Some of them do not. Is there not a regulation whereby they can be compelled to carry that \$5 million worth of insurance?

Mr. Albert Driedger: We are in the process right now of regulating the vans, what we call the 11-man vans,

and we have given approval to proceed with that. We are also in the process of developing the guidelines for that. In principle, it has been approved. We will be advertising it shortly, within a couple of months.

If I could just give a little bit of background to the reason for that. Under the Taxicab Board the Member is probably well aware of the concerns and difficulties that the industry has been having over a period of time. It has been a very complex problem. A report came down by Touche Ross which created a little bit of concern and havoc in the industry. Subsequent to that, what happened in consultation with the chairman of the Taxicab Board, Mr. Norquay, it was decided that public hearings would be held to allow the public to have input into the industry as well as the public who uses it. These hearings took place, part of the concerns that were expressed dealt with the 11-man vans. Aside from the report that is coming down dealing with the whole industry which we anticipate within the next month or two months which will address more on a broader scale the problems, it was felt that we could proceed to deal with the 11-man vans, as we call them. We called them 12-man vans, but under the National Safety Code I believe the wording is 11.

We have proceeded on that basis, approval has been given. We are in the process of implementing it. What that will involve, that any van used for commercial purposes will have to be registered and will have to be inspected. However, it does not affect those vans that are not used for commercial purposes. The right wording is, transportation for hire. Any van that is used for transportation for hire will now be compelled to register and to be subject to the inspections. This is in keeping with basically what the taxicab industry was concerned about because obviously there was a variety. In fact, we do not know how many vans, 100, 200. We have no idea how many vans are running around that are for hire, that are being used and are not being regulated. Actually, by law we have to do that, and that is maybe a shortcoming that has been there so we are addressing that and trying to correct that, and the 11-man vans will now be required to pay licences as taxis and be required to register and be subject to the inspections.

* (1620)

Mr. Mandrake: Are they going to be required to carry a certain blanket amount of insurance, for example, \$5 million worth of insurance or what is it going to be?

Mr. Albert Driedger: Mr. Acting Chairman, they will be required to register as taxis and subsequent to that will have to comply with the same insurance requirements as a taxi does. They would be required to carry that insurance.

Mr. Mandrake: I have only two more questions and then I will turn it over to the Member for Dauphin (Mr. Plohman).

First of all, on the Taxicab Board, in Question Period the Minister said that he is going to have a Taxicab Board Advisory Committee. Mr. Acting Chairman, I

spoke to the Minister some time ago about Jody Gilmore, another study we were doing. You know, we are studying this industry to death. Can we not implement some good positive legislation whereby it will give this taxicab industry a—you know, let us get off their backs. I would strongly suggest—I read an article that in Boston, I think it is, ever since they implemented the compulsory bullet-proof shields for the vehicles the crime rate went down. In fact, it is almost nil. So that is a suggestion. I would appreciate it if the Minister would consider that idea. I would talk to him personally on other issues about the taxicab industry, but because of the time constraints I will not. I shall let the Member for Dauphin (Mr. Plohman) speak.

Mr. Albert Driedger: Mr. Acting Chairman, if I might, I want to indicate that we are well aware of the fact that Boston is the only community that has the safety shields in place. If the Member wants to, I indicated in Question Period the other day what the position was and the background within this province. I also indicated what course of action we were taking with this thing. We regard it as a very serious issue. That is why I immediately had a conversation with the chairman at that time. We will be proceeding to form this committee together with driver participation, and we will be addressing that aspect of it.

I suppose the Member is getting—

The Acting Chairman (Mr. Helwer): Carry on, Mr. Minister.

Mr. Albert Driedger: -(interjection)- Well, I understand that, and I will make my answer short and maybe deal with the further questions in a minute.

Mr. Plohman: This issue, of course, of taxicab safety is a very important one but a very difficult one, as the Minister says, to address. The Fox-Decent report that was done under the previous Government did come forward with a number of recommendations, and I understand a number of them have been implemented. Others, such as the one dealing with the safety shields, have not. You can never legislate safety in its entirety in any event. There is no way of knowing whether murders and assaults of taxi drivers would continue no matter what steps you take. However, we have to try as much as is reasonable to provide for safety.

I wanted to leave that issue, Mr. Acting Chairman, and to just ask a couple of questions of the Minister regarding limousine service here in Winnipeg. I have had an individual who owns and operates a limousine service come to me on a number of occasions with serious concerns about the state of the business and the opportunities for business. He is a licensed limousine operator. Perhaps the Minister could refresh me on how many there are in the City of Winnipeg. I understand there have been additional licences let in the last short while, but I will ask about that later. Could the Minister just indicate how many licensed operators there are in the City of Winnipeg prior to say September of '89?

Mr. Albert Driedger: Mr. Acting Chairman, at the time and question that the Member raised, there were 11

operators operating 19 limousines. At the present time we have 10 operators operating 28 limousines. Then we have one operator that has got two licences for a different class, and one additional up here, and two of the additional class that has been established.

Mr. Plozman: Well, not wishing to take time because we are probably very limited in the time now for the Estimates, I just do not want to pursue what those other categories of special licence are. But I do want to ask a little bit about the rationale of extending the number of cars then that are licensed from 19 to 28, no, from 19 to 29 or 30 or whatever, 10 or 11 additional ones, particularly in light of the fact that there seems to be difficulty for anyone who wants to get into this business on its own, a stand-alone business, to be able to make it pay. My information is that there are a lot of people who are moonlighting in this business, who are not licensed and who are not officially charging for weddings and funerals and so on, but are in fact just asking for a tip, which is very difficult to follow up on when investigations take place.

I appreciate that it is difficult, but I wonder if the Minister agrees there is a problem out there, and the chairman agrees there is a problem out there. Why, if that is the case, would he expand the number of licences here with limited business available?

Mr. Albert Driedger: The industry or the operators themselves applied for increases in the limousines. They are the ones who wanted to have increases, I think maybe to try to deal directly, or indirectly with the nightlighters, if we want to call them, to some degree. They felt there was need for more limousines but they were only licensed to the ones that we had here. As a result we had other people that were operating, not on a commercial basis, I suppose. So it was the industry itself that requested additional licences, and that is why we have basically the same operators just being allowed to have more units.

Mr. Plozman: I will not ask another detailed question. Perhaps the Minister could give us a comparison of the costs, perhaps not verbally here today, but in writing as to the kinds of fees that are charged by operators of limousines in other major cities across Canada so that we can get an idea whether—and the fees here in Manitoba—to get an idea of what the comparison would be. I am under the understanding that they are just not sufficient to cover the costs of operations on their own.

The other thing I wanted to ask the Minister just briefly, if he is involved at all in the contract coming up at the airport, because that is one of the areas that everyone sees coming into the city. I understand there is a long-term contract that Transport Canada, who runs the airport, would probably have. That is coming due to expire, that contract, and perhaps a new one to be put in place. Is the Taxicab Board in any way involved with that process to ensure that visitors to the city experience the best kind of service possible when they arrive in Winnipeg and want this kind of service?

* (1630)

Mr. Albert Driedger: Let me address the first portion of the question where the Member asked if we had comparative scales of fees for limousines across the country? We do not have that.

I am not trying to get away from the fact that other jurisdictions are—what fees they are charging. The chairman indicates we do not have that specific information. However, what we did on the last application that the limousine industry made, we gave them more than they had asked for because we felt that it was unrealistic what they were asking for an increase. I do not really want to say that I am not going to try and get the information, but I am asking indulgence from the Member in terms of getting fees from other jurisdictions at this time because our board is pretty squeezed right tight. I wondered if—with some indulgence, we will try and maybe get it in the future as long as he does not hold us to a specific time, because we are having a little bit of time problems in terms of one chairman serving—

An Honourable Member: It is not urgent to get that.

Mr. Albert Driedger: I just want to illustrate again that what the industry asked for, we more than gave what they asked for to try and indicate that the industry should be healthy.

Coming back to the airport, that is a contract that Transport Canada makes with the taxi industry. Our only requirement is to make sure that they are licensed, the ones that they are operating with. We do not have input into that aspect of it through the Taxicab Board.

Mr. Plozman: One last point on this, Mr. Acting Chairman, would be that the industry, using it as a term could be somewhat misleading in this case because there is not a large industry there, there are very few operators as we—10 operators, so it is a very small group. There is some difference of opinion as to what the actual costs are of operating. Some of the operators have other forms of income and in fact it is alleged to me that they do not depend on this to actually make a profit on it. As a matter of fact, in some cases it is being supplemented by other forms of income. They just cannot afford to operate and make a living with this.

That is what I was really trying to explore in terms of the rate structure, but I cannot make a determination just off the cuff either in terms of whether it is, but I would like to be able to get some information to see whether we are way out of line with other cities, whether in fact these operators are in an impossible position, those who want to make it on a stand-alone basis and say I am going to be a limousine owner and operator in this province. Can they make a living at it or can they not?

Mr. Albert Driedger: Mr. Acting Chairman, if the Member is going to allow us a little bit of latitude in this, we will try and get some information. I just do not want to make a commitment that I will have it—

An Honourable Member: Yes, I understand.

Mr. Albert Driedger: We will try and get some information and forward it to him.

Mr. Plohman: I appreciate that, thank you, Mr. Acting Chairman.

The Acting Chairman (Mr. Helwer): Okay, Taxicab Board: Salaries \$164,800—pass. Other Expenditures, \$39,100—pass, for a total of \$203,900.00.

We will go back to item (b) then, the Highway Traffic Board: Salaries, \$233,300.00.

Mr. Mandrake: Mr. Acting Chairman, could I just put something on the record, please? I have some questions on the Highway Traffic Board and I have some questions on the Licence Suspension Board. I would encourage the committee to pass those two immediately so we can go on to Capital Expenditure because we are pressed for time, and I would like to sure have this committee terminated today. The Member for Dauphin (Mr. Plohman), would he entertain that thought? I would be more than willing to go along with that.

Mr. Plohman: Mr. Acting Chairman, we have been trying to work on that timetable. I think now it may be difficult, but we are attempting to move along as quickly as possible. There may be some need to have closing statements made at the next sitting. I am not sure whether we will be able to do it today. So let us give it a try but I cannot make that final commitment based on the fact that we only—

The Acting Chairman (Mr. Helwer): Okay, so does the item of Salaries pass? Highway Traffic Board: Salaries, \$223,300—the Member for Assiniboia.

Mr. Mandrake: Yes, just one question, please, to Mr. Minister. In St. Martin's they have had a very, very serious accident which was reported in The Interlake Spectator of June 14, 1988. We are having a problem in that area. Would the Minister, through that department, have a look at it? There was another one on April 11, and that was again in the Winnipeg Free Press of April 11, A Fatal Accident Unlikely to Speed Up Work on the Highway. This is in regard to Highway 75. The reason I am trying to speed this up is that we are having problems with some serious accidents. Now, could the Minister please tell us what does he plan on doing with that particular one at St. Martin's?

Mr. Albert Driedger: Mr. Acting Chairman, first of all, the Highway Traffic Board serves if there are concerns about the speed limits, crossings, or access onto PTHs. The normal process is individuals, or municipalities, or organizations, or school boards can make application to the Highway Traffic Board, who have a hearing on the aspect of it and make a decision as to either to reduce speed if there is a concern specifically in terms of communities, that is something that the Highway Traffic Board deals with.

When it comes to accidents on highways, for whatever reason, and heaven forbid it should be because of the condition of the highway, but that could be in some cases, that would be under the jurisdiction of my Department of Highways and Transportation.

The Highway Traffic Board deals with the control or the regulation of the speed limits, the crossings, et cetera, so an application is made to the Highway Traffic Board and they then deal with it.

Mr. Mandrake: Previously, I had mentioned about the board holding 24 public hearings across Manitoba in regard to signs. Could the Minister please tell this House what the final result was and what was the cost to the public on these hearings?

Mr. Albert Driedger: Mr. Acting Chairman, first of all, maybe I should clarify it. The Highway Traffic Board deals with signs as well. What we had to date was sort of an ad hoc situation, where the Highways Department was very possessive in terms of controlling the right-of-way and not allowing signs on there, except in certain instances.

Outside of the immediate right-of-way, what we call a control area, signs were being proliferated close together. A good example would be, if you drive down Highway 8 to Gimli and out towards Riverton, you have areas around Winnipeg Beach where they are almost one behind the other.

The decision was made that we would take and liberalize the setting up of signs to some degree, allowing them within the right-of-way as well. Application would have to be made and they would have to apply for a licence to have a sign put on. Then the departmental staff would check and see whether it was acceptable, so we had a proper distance between signs, that we had them a certain distance away from major intersections and could control that aspect of it.

We have many signs out there on the highways right now that—three owners ago—there is no system to it, so what we are going to try and do through this system, we came forward with a bit of a proposal. The committee went out to have hearings. Based on those hearings they again responded to ask for more input based on certain recommendations. This is in process right now. A decision has not been made.

Once the Highway Traffic Board has finished its consultation, it is coming to me, hopefully within the next month or two, then I will be taking suggested proposals forward to my colleagues in Cabinet, and it would then be a policy decision as to whether we will implement this.

There has been a lot of speculation, a lot of input into the matter, and we will try and finalize this once the report comes in. At the present time, because the process is not completed yet, if the Member has some patience, I will be getting the information for him in terms of what the cost was of these hearings.

* (1640)

The Acting Chairman (Mr. Helwer): Is the item passed—pass. 7.(b)(2) Other Expenditures \$69,000—pass.

We will go to item (c) Licence Suspension Appeal Board: (1) Salaries, \$229,000—pass; (2) Other Expenditures, \$70,000—pass.

Mr. Plohman: Mr. Acting Chairman, before we pass that, could we have a list of the current members at some point of the Licence Suspension Appeal Board? I know we passed the Highway Traffic Board, but I would also like have a list as well.

Mr. Albert Driedger: Mr. Acting Chairman, would both critics wish to have the members of all the boards? I have no difficulty with that, it is public information anyway. What I will do, my departmental staff will prepare a list of the four boards that we have there, and I will forward it to the Members.

The Acting Chairman (Mr. Helwer): Resolution No. 78: RESOLVED that there be granted to Her Majesty a sum not exceeding 1,458,800 for Highways and Transportation, Boards and Committees, for the fiscal year ending the 31st of March, 1990—pass.

Item 8., Expenditures Related to Capital (a) Construction and Upgrading of Provincial Trunk Highways, Provincial Roads and Related Projects, \$102,000,000—the Member for Assiniboia.

Mr. Mandrake: Mr. Acting Chairman, first of all, I would like to bring to the Minister's attention that he took the following questions on the 25th of September, Highway 276, he has not provided us with an answer; the 25th of September, again—

Mr. Albert Driedger: Go slow, if the Member will give us a little more time, I will take—

Mr. Mandrake: Okay. Highway 276, no answer; Highway 242, no answer; parallel parking, no answer; June 22, 1989, this is regarding to how many acres of land are going to be utilized for Highway 75, no answer. The other thing being is that when I asked him about the two projects in the southern part of Manitoba which were not listed in the projects identified by the Minister, but yet he had it on record and, of course, made mention that they were on stream as to working on it—(interjection)—434 I think it is, remember down south, the town that I had to spell out for you.

Mr. Albert Driedger: Gnadenthal.

Mr. Mandrake: No, no. Your wife comes from that town.

Mr. Albert Driedger: She comes from Gnadenthal.

Mr. Mandrake: Anyway, those two projects were not listed on his list and I was wondering why.

(Mr. Chairman in the Chair)

Mr. Albert Driedger: Mr. Chairman, I know that we are trying to expedite speed here. If the Member wants to, because we have been going through roads at a pretty good pace under Survey and Design, if he wants to be specific, I think staff has taken the numbers as he gave them. I can prepare a written reply to him on that in terms of saving time. I do not have all that pertinent information here at the present time but I have tried to make a list here. If that is acceptable,

fine, because I am not trying to hide anything. I am prepared to discuss any road and any program.

Mr. Mandrake: No, no. As long as he provides us with that information, that is all I am asking, Mr. Chairman.

Mr. Albert Driedger: Just for clarification, that one community that he is talking about, I wonder if, even after this is over, if you could maybe indicate to staff and then we will get a clarification on it.

Mr. Mandrake: PR 405, between Lorette and Ile des Chenes, I have received numerous letters from the school districts, R.M. of Tache and Ritchot, because of the heavy traffic on that road, particularly with school buses. Would the Minister consider in his next year's project to upgrade this road so that it is not a hazard as it is right now?

Mr. Albert Driedger: Mr. Chairman, I have probably more correspondence than the Member has and I am very much aware of it. We are looking at seeing whether we can move on that project. Certainly the Member's concern is noted and we will see what we can do with it.

Mr. Mandrake: One last question please, Mr. Minister. The Minister provided me with information regarding the land that was transferred, or sold to Olson. In his letter he states he transferred 3.351 acres of land to Olson in exchange for .709 acres of their property. That is a pretty good exchange. He gets 3.3 acres and you get .709 acres. First of all, I would like to know where this land was and the whole ball of wax on this transfer and how it took place.

Mr. Albert Driedger: We will take note of that. I thought we had covered that in that letter. If further information is required, we will take note of that and respond in kind again.

Incidentally, I might just add that I am getting little love notes here from the Chairman who feels disadvantaged by not being able to get his concerns on the record. I will take them as notice as well.

Mr. Plohman: The Member for Minnedosa (Mr. Gilleshammer), who is chairing this committee, may want to give them to me and I will be glad to put them on the record on his behalf. He can certainly mail those requests out to his constituents then, showing how ingenious he is in approaching these issues. I want to ask the Minister if he could table with this committee the final costs of the Selkirk bridge and connecting roads. Would he also provide those at this time to the extent that he is aware of those?

Mr. Albert Driedger: Mr. Chairman, we do not have that information right here. I am prepared to bring that information forward because we are talking pretty detailed information. The Member well knows that I do not have that all here, but I am prepared to bring that forward to the Member.

Mr. Plohman: Mr. Chairman, I respect the fact that the Minister is going to provide me with that information.

I understand that the pavement is finally being placed on the access roads, connecting roads, from Highway 59 to Highway 9, this new Highway 4 I think it is called now. Is the paving completed? Or is it underway at the present time? Will it be completed by the end of this construction season, which is about now?

Mr. Albert Driedger: We are just in the process of finishing that project. We expect to have it finished before the end of the construction season.

Mr. Plohman: Could the Minister indicate whether it is AST or bituminous pavement that is being applied at the present time?

Mr. Albert Driedger: It is bituminous pavement.

Mr. Plohman: Mr. Chairman, final estimates that I had I recall were \$19.3 million for the bridge that was designed with the proper heights to meet regulations and requirements for navigation on the Red River. That includes the connecting roads and the structure itself. The Minister indicated informally yesterday that it was a little bit higher than that. I understand that he does not have the details. Would he be able to indicate on the record in this House, because I think it is important, more so because there are people who have been using the wrong figures. I always respect other Members of the House and their desire to be truthful, but it is particularly irking when people purposely continue to use wrong figures, even when they have been corrected. I think the Minister has a responsibility, and I understand that it is a sensitive matter to supply this committee with the actual figures, as close as he can ascertain them at the present time.

Mr. Albert Driedger: What I will undertake is I will give the Member, once the project is completed, the detailed breakdown between the road portion of it, the accesses, and the bridge costs. I can indicate to him now that the round figure estimate is between \$20 million and \$21 million.

Mr. Plohman: Okay, that is a good million higher than the final estimate that I had and that may very well be the final outcome. I would very much appreciate if this Minister would pass this on to his colleague so that he would be able to use facts. The Member for Pembina (Mr. Orchard) has had trouble with that in this issue. I appreciate that. In the interest of time I will not pursue any further questions on this at this time.

Mr. Mandrake: Mr. Chairman, could the Minister please tell me what action is going to be contemplated on Goulds Point? I am receipt of a memo dated January 3, 1989, where they did a study on Goulds Point. Has he consulted with the Minister of Natural Resources (Mr. Enns) regarding this, and are we going to be taking any positive steps in getting a road through to Goulds Point?

Mr. Albert Driedger: Well, Mr. Chairman, I do not want to make any longer answers than necessary. I can just indicate to the Member that Goulds Point, being in my constituency, has always been of keen interest to me. Certainly, I have always felt that we have not—

An Honourable Member: Well, do something about it.

Mr. Albert Driedger: —developed the Lake of the Woods area to its full potential. I can only indicate to him that there is ongoing progress being made, not necessarily in terms of the road being built at this stage of the game, but looking at possible development taking place, because for myself as Minister of Highways and Transportation, I have to justify a road, so that we do not build a road strictly for the benefit of the Americans, so that there is some benefit for the people of Manitoba. If we build a \$2 million road through the swamps to accommodate the Americans, I think it would be highly criticized. What we are trying to do is develop a need for a road, and then we can cost-share and look at having joint arrangements with the Americans.

Mr. Mandrake: Mr. Chairman, the Minister says \$2 million. From this letter that I have before me, it says only a million, so who is right and who is wrong?

Mr. Albert Driedger: Mr. Chairman, a million or two million. At this stage of the game, we have not even had staff looking, because we are talking major swamp country out there. I could be a million out at any given time. Until we have some further development taking place, which we are working on, once it looks feasible to do that, then we would start expending maybe money from survey crews to go in and have a look at it, but at the present time we are not at that stage. I realize that certain people are lobbying extensively on that, and they are lobbying me as well. If there is some way that we can move this thing along, we will certainly do that.

* (1650)

Mr. Plohman: Yes, Mr. Chairman, I have a question about the pre-tender program this year. Could the Minister indicate the date that he expects to issue the pre-tendering program for next year?

Mr. Albert Driedger: Mr. Chairman, we are not necessarily looking at it as a pre-tender basic. We are looking at trying to do our tendering on a more year-round basis so we do not have the—see what happened—I want to keep my answers as short as possible.

Last year when we started off, we did not have approval, so we had an escalation of tendering during the construction period, it shot right up and then tapered off. What we are trying to do is move at a more balanced approach to it so that we can tender on an ongoing basis and give the industry a little better idea as to what is coming forward. So what would have normally been considered as pre-tender, we intend to tender those projects more or less before New Year. Whether it is a technical interpretation or not, we are trying to do a bit of a meld of this thing on an ongoing basis so that we have more general tendering taking place during the course of the year than just have it at certain peak periods.

Mr. Plohman: That may make a lot of sense, but the fact is that the dollars have been flowed for this year,

perhaps to the extent of the capital budget, and maybe the Minister would have those figures as to where he is at in terms of the cash flow. He has a limited authority for expenditure, but he tenders much more millions of dollars. I believe the formula is about 1.6 or 1.5 of his projects are approved on that basis.

Does the Minister have an indication of how much the capital program, the Highway Construction Program for the 1989-90 fiscal year has been flowed up to the present time? Does he have that figure, and then how much of authority is he asking for in a process for tendering this fall, or is the Minister now saying he is abandoning a tendering package in the fall completely and that he might trickle a few out in October, a few in November, a few in December, a few in January, and so on, or is he going to do a package this fall as has been traditional? That figure has varied anywhere from about \$17 million to \$30 million in the fall as a pre-tendering package.

Mr. Albert Driedger: Mr. Chairman, the Member first of all asked about what the cash flow situation is. Staff is working on that right now. In fact, I had hoped to have that information come forward during the course of the Estimates. As the Member is well aware, it is not that easy to pick—you know you have to pick a certain time and then you do the projections on it.

Mr. Plozman: You do it monthly, do you not?

Mr. Albert Driedger: Well, yes, but if we are looking back to October 1, we are trying to scramble the figures, you know we are having difficulty. I would like to indicate that we have had a very, very successful construction season and that I foresee no difficulty flowing the capital monies that are allowed here. As far as the tendering is concerned—basically I should maybe create some confusion by the way I announce it—it will be the same process where we will be pre-tendering with construction starting for the next year so that we do not have that lag, depending when we come in, so that we have tenders out that the construction season can start once the weather is suitable in spring, so we do not have that delay period, so that we can start flowing things.

As I indicated, not every year is the same and the Member well knows that. If you have a wet, rainy season, you get very challenging keeping the flow going and getting the monies expended that the one is authorized to spend.

Mr. Plozman: Mr. Chairman, what used to happen, of course, is that there was an early tendering process on projects that had not been tendered the year before on the previous year's authority, but what the Minister is saying is perhaps that he is going to look at increasing the size of those projects that are tendered as early as in the previous fiscal year. In other words, rather than tendering in February, March and April to keep things flowing nicely into the spring, there will be more tenders let in the fall, perhaps even larger than the highest previous which was around \$30 million for a pre-tender program. Is he looking at something like maybe half the program being tendered in the fall?

Mr. Albert Driedger: Mr. Chairman, we are looking at doing pretty well the same as has been done in the past. We have taken tender out, the 1.6 which is normally a carry over for the next year. The Member remembers how the graph goes. Those are the projects that we are hoping to be tendered, hopefully by January 1, so that we have that flow starting in spring. Then of course we hope to develop for next year the total program, the other projects that will be going. So nothing much has really changed. We are just trying to even out the flow a little bit in terms of what is happening.

Mr. Plozman: Mr. Chairman, I was not suggesting things change, but the Minister seemed to indicate that there was a major change, and so now I wanted to pursue and ask about it. I can see that we are not going to complete the final summary statements and so on today. We have a few more minutes. I will give the Member for Assiniboia (Mr. Mandrake) an opportunity, but I have just one other question. Can the Minister indicate the size of the pre-tender program? I am not asking for the details. That will come out, I guess. I asked the Minister what the date was. I would assume early November or before. Could he clarify the date and also the amount—\$17 million, \$20 million, \$25 million, \$30 million, whatever?

Mr. Albert Driedger: Mr. Chairman, we are just in the throes of actually reviewing exactly what we will be tendering or coming forward. In fact, I had a meeting yesterday and probably, hopefully, have another one today or in the next few days to complete that.

Mr. Plozman: So you do not have a date?

Mr. Albert Driedger: I do not have a date.

Mr. Plozman: Nor an amount?

Mr. Albert Driedger: Nor an amount at this stage of the game.

Mr. Chairman: Item 8.(a)—pass.

8.(b) Aid to Cities, Towns and Villages \$1,500,000—the Member for Assiniboia.

Mr. Mandrake: I just have one question, Mr. Minister. In view of this Repap deal that the Minister is involved in and some \$90 million are going to be expended on the Repap roads. The Minister received a letter dated January 17, 1989, from the municipal administrator of the Town of The Pas asking for aid on a 50-50 basis for improvements on one of their streets. I am quite confident the Minister is fully aware of that. Will he now consider that 50-50 grant-in-aid to upgrade those streets because of the Repap roads, and of the increased traffic in that particular area?

Mr. Albert Driedger: Mr. Chairman, we always follow the process where communities get notified about a Grant-in-Aid Program. They make applications, staff goes out and reviews exactly whether, first of all, they are on streets that qualify for 50-50 grant-in-aid. Our

district engineers, together with my other senior staff, look at the projects, work with the communities to try and establish these projects, and we consider every application. The Member is probably aware that we always have more applications than we can handle, but we try and adjudicate them and allocate the money in as fair a way as possible.

Mr. Mandrake: Mr. Chairman, if the municipal administrator was to resubmit his application for those two streets that he had mentioned, would this Minister now reconsider his application, and would he consider giving this town some assistance on their application?

Mr. Albert Driedger: Mr. Chairman, if they are eligible under the 50-50 Grant-in-Aid Program, we would certainly consider it.

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

SUPPLY—AGRICULTURE

The Acting Chairman (Mr. Parker Burrell): I call this committee to order. The committee has been considering the Estimates of the Department of Agriculture. We are on item 6.(g) Family Farm Protection Act—the Honourable Member for Interlake.

Mr. Bill Uruski (Interlake): Mr. Acting Chairman, when we were last discussing this area the Minister undertook to provide some further information, statistical information, for me at the next time we met. As well, I asked him whether the board in its investigations of mediation would, as a matter of course, be requesting the original documents from lending institutions on promissory notes and the like to ascertain if they were not doing so whether interest overcharge was a factor.

The Minister wrote to farmers in his part of the province indicating that interest overcharging was not a relevant factor. In many instances, however, if you do not look for it, it will not be a relevant factor. If you in fact are cognizant of how some of the circumstances the farmers got themselves into came about, then clearly looking at the original documents may be a very relevant factor.

Hon. Glen Findlay (Minister of Agriculture): Okay, I will read to the Member the board policy on interest overcharges. The board takes the position that in order to maintain their credibility as a true mediator between a creditor and a farmer, they cannot take, or appear to be taking, sides on an issue. Their role is one of determining at what level debt, and debt restructuring, the farmer can remain on the farm and still service his debt. They must then attempt to reach agreement among all parties on this analysis and review. There are many aspects to reconciliation between bank charges and their client that are established on an individual basis. The board does not have the expertise or capability to reconcile these matters.

* (1510)

At one time there were a number of requests that the Manitoba Mediation Board assist farmers in this

area. However, we do not have cases where the farmer requested it to be part of the mediation process. Because of the legal aspects of their allegation, the board advised the applicant or inquirer in such instances to seek legal counsel or advice from an accountant.

Mr. Uruski: Mr. Acting Chairman, that statement may be well and good in terms of availability of expertise. I am not suggesting that the board get additional expertise. However, when one asks for information on dealing with a farmer's loans, surely that information would readily be available and explainable by the financial institution. While the Minister says the board cannot take sides, clearly if there is information, for example, on the other side of the coin where a farmer, on advice of lenders and others involved in the process, maybe not by proof but at least by statements, made by lending institutions who has, as one would put it, not been the most forthright in his information with the lending institution, the Mediation Board will show an attitude of wanting, in the strictest sense, that there is no nonsense in the process.

I agree with that. I have no difficulty with that. But on the other side of the line, the board out of normal practice, if there is a case that is being mediated, either under Part 3 or Part 6, why would not the board ask for the original loan documents, ask the financial institution to explain what rates of interest were being charged, as I would go in if I had a statement from my financial institution and wanted to know how what the numbers state in terms of reconciliation, the debits and credits on one's account? I would walk in there and say, look, could you explain all these numbers for me because I do not understand how we have arrived at the bottom line?

Would that be such a difficult matter on behalf of the board? Where the case is being mediated, I have no difficulty of the Minister and the board saying, look, we are not going to go out and do a witch hunt on cases in where there may be or where we think or at least the farmer alleges that there may be interest overcharge. That aspect of asking for the original loan documents and working back would not be such I think an onerous task, because I think that is a task that every financial institution would maybe even want to provide that for the board and, say, look, here is what it is. That being the case, is that not a procedure that would normally or could be and should be handled by the board?

Mr. Findlay: Whenever a credit institution makes application under Part 3, at that time they must supply complete documentation of the principal paid, interest paid, all the loan documents that go with the application. So that information is all put on record under Part 3. To the best of our knowledge right now, there has not been specific requests to go back and search for interest overcharge as part of the mediation. Usually mediation ends up if a farmer is going to be able to continue to be viable, it ends up that there is some write-off, that the financial institution does with the overall owing, that the farmer has to the bank either in principal or interest. So there is a write-off, so he has received some credit in the process of negotiation

towards reducing his liability. There has not been cases where there has been a specific request to deal with that through the mediation process. The documents are all there under Part 3, required under the Act that they be put in front of the farmer and the mediator.

Mr. Uruski: This area is one that I must admit that we may have missed and I do not know whether legislation, whether it ought to have been legislation at all, but the more I think about this issue the more I am convinced that even on Part 3 where there is an application for foreclosure, some of these foreclosures, when one looks at repayment schedules of some farmers, not all, I do not want to paint the kind of picture that it is all one way. Because of the trust factor between farmers and their lending institutions, and it is coming out and has come out in media reports across this country where there have been errors made on behalf of financial institutions, since documentation on interest paid and principal and the like, are data that are being submitted now under Part 3 in applications to foreclose, is it so difficult to ask for original documentation of loans so that recapitulation from, basically, Day One of the loans, now many of them may have been flipped over. It may be more complicated than I am making because there may have been a number of loan transactions over the years where loans have been flipped, in terms of rolled over from operating to short term, so there may have been a number of changes. That is even more of a case to ask for the documentation so that explanations can be given.

Surely not all farmers will understand, even though they go to the bank, or to MACC, or to others and have made loan applications. The trust factor there is they know what they are doing. They are giving me advice as to how to handle it and I am taking their advice. That is generally the case. I would say that in over 90 percent of the instances farmers rely on the advice of their bankers, whether it is credit union, MACC or whoever, this is the best way of handling it and they follow that advice. That does develop as a result of that. There is that trust factor. When it comes down to the possibility of losing one's entity, then I think the onus lies on the mediator to say, hey, the pressure is now on the borrower and should we at least understand where the lender came from to make sure that the figures that are there are in fact accurate and that information be supplied.

* (1520)

I know, for example, in MACC statements, as a public institution, they have printouts, two or three or four pages of saying, here is your loan account from '80 or whatever year the loan was taken and here are the debits and the credits and the pages are there. If I do not understand one of those numbers, I pick up the phone and say, what does this thing mean on your data sheet of so and so, and whoever is the accountant there will say, pull out the computer record and we will be able to tell you. It is there.

The one document that is not there is the document that says, here was the loan. On the printout it gives the percentage rate of loan on MACC. I do not know what private institutions do and that is where the whole

question of asking for that data and, especially in cases where there is leave to foreclose. I would venture to say where there is mediation requested, then that should be part and parcel of the information to be supplied by the lending institution, regardless of who it is.

Mr. Findlay: Okay, I guess in a general sense this issue is intensely complex, and the Member talked to some degree about that. I think he must keep in mind that the Act only applies to land, and really land loans are technically pretty straightforward. Mortgage periods are set up for a set number of years, and it is probably very difficult to have errors in that respect on how interest is calculated.

I would surmise that the majority of difficulty with interest overcharge has really occurred with shorter-term loans, maybe operating loans, or machinery loans, or building loans, where a rate is perceived to be set but actually was floating, and that is where it happened. Those floating rates did not occur on land loans by and large. Land loans are the mortgages that are set for periods of time. So the problem he is identifying is really not under the auspices of the Act particularly. So the best we can do with our mediators is that if the suspicion is there that there may be some problem in the calculating of these short-term loans, it is a legal matter that they should pursue through the legal channels. If it is ever identified that there is purposeful miscalculation of interest by a bank, which I read between the lines of the comments or the attitude that people have when they look at this issue, purposeful mismanagement or miscalculation of loans is subject to criminal actions under the Bank Act.

So these are the facts as we know them. We believe that if there are instances where a person believes he has been mischarged and he wants to pursue the matter, it is really a legal matter between him and his creditor. The mediator is in a difficult spot if he is asked to act on a legal question. He can be involved in developing the data for a mediation process, which, as I have said under Part 3, all the information is there of mortgage, of payments, and interest, and then he goes through that. They identify something and the mediator should say to the farmer, pursue it in the legal process because there is an error here that I cannot help you with. There is a process that you must follow to get it corrected.

Mr. Uruski: Mr. Acting Chairman, has the board in its mediation process ever had cases where land has been bought basically on short-term credit, what is relatively known as short-term credit? I mean those are some of the difficulties that come up. There have been some real oddball cases, I am certain. I have heard of instances where farmers were advised to make purchases, because in the early '80s when interest rates were fluctuating so much, even of land, on lines of credit, wrong advice as it is clear to see now. Part in parcel of the whole financial difficulty that the farm family is in is a combination of factors, not only the land question that the board has clear jurisdiction in dealing with, but the the entire financial package.

Financial institutions, as far as I can determine, have generally been co-operative, and the mistakes that have occurred—I am not sure at all that I would even accuse

any institution of those errors being willful at all. I do not think so, because knowing that you are working with people who are clerks, who are working on it, they get the advice from someone else, and the calculations are made, and the original documents are not checked, but the charges go on and the farmer basically keeps paying. It is a question of whether or not—and maybe the Minister may ask the board to get legal advice—to say, look, is it within our power to look at all the relevant documents when there is a case for mediation so that there is no discrepancy? It may be one that the Minister may want to get legal advice on.

Mr. Findlay: The first question was to do with how many times were people buying land on short-term credit situations.

Clearly there undoubtedly are cases where that does happen where a person makes a purchase and may—for six months or something he has it on a short term before the mortgage gets set, or he may be in the process of amalgamating loans, rolls some operating loan or an equipment loan into a land mortgage and it is renegotiated, the interest rates reset. Those sort of things have been going on, but really it is very important that farmers continually in their business dealings be very careful that they know what is going on and that they check their records as to what is done.

I have always found the banks are very good at giving you the information when you request it, on an ongoing basis, because errors do happen inadvertently. Just myself before I came in here, I phoned the bank because they had made a mistake in an interest calculation. They simply used the wrong rate. They just made a clerical error, apologized like heck, but they made it without intent or malice. It is corrected now rather than—five years later it is tougher to find that, but watch right now. Everybody makes mistakes and I am sure they probably make mistakes in the other direction too. They maybe more quickly catch those ones through their accounting process, but we will follow up in a more—be sure in the legal question on dealing with that issue that we are doing the right thing on the right ground, both in terms of responsibility under the Act and in terms of doing the best we can in the process of mediating the disputes that exist.

* (1530)

Mr. Uruski: Mr. Acting Chairman, I would appreciate the Minister keeping Members of this House abreast on his findings on that. That is sufficient for me.

The Acting Chairman (Mr. Burrell): The Honourable Member for Fort Garry (Mr. Laurie Evans)—pass.

Mr. Findlay: Because the staff are here, we wonder if we could jump to Appropriation II, Resolution No. 16, Interest Rate Relief, if there are any questions on that area.

The Acting Chairman (Mr. Burrell): Okay, but we have to deal with the Resolution to pass the money that we have come forward so far.

Resolution No. II: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,943,400 for

Agriculture, Policy and Economics Division, for the fiscal year ending the 31st day of March, 1990. Pass—pass.

Now is it the will of the committee to go to Emergency Interest Rate Relief Program, item II? The Honourable Member for Fort Garry.

Mr. Laurie Evans (Fort Garry): Just a very simple question on this. The level set for the emergency interest rate relief has been substantially reduced and the rationale for that is provided. I just ask the Minister, now that we are six months into this fiscal year, does the amount that has been set aside appear to be a realistic one, looking at what has transpired to date in this fiscal year.

Mr. Findlay: Yes, it would appear that information to date is pretty well right on.

The Acting Chairman (Mr. Burrell): No further questions?

Some Honourable Members: Pass.

The Acting Chairman (Mr. Burrell): Is it the will of the committee to pass item 11. Emergency Interest Rate Relief Program—pass.

Resolution No. 16: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,250,000 for Agriculture, Emergency Interest Rate Relief Program, for the fiscal year ending the 31st day of March, 1990—pass.

Now we go to item 7. Federal-Provincial Agreements—the Honourable Member for Fort Garry.

Mr. Laurie Evans: My recollection is that the Agri-Food Agreement was roughly \$38.5 million, split 60-40 between the federal and the provincial Governments, and I also believe that we are now in an extension of that. In other words, it was a five-year agreement but we are now in the sixth year. Can the Minister tell, from the projections that are being made to date, how much of that \$38.5 million will actually be spent by the time this current Agri-Food Agreement winds up?

Mr. Findlay: Mr. Acting Chairman, I have here Assistant Deputy Minister, Tom Pringle, who has been here before and, Alf Chorney, co-ordinator for federal-provincial issues. I have here a copy of the Agri-Food projects that I will give to each of my critics. We have enough here for each Member if they so desire. I ask that they be passed around.

It is a big book with lots of projects in it, and I think the overall success of that program, in terms of what it has done and the acceptance and success story out in the rural areas has been very good, very, very good.

The question really was how much of the \$38.5 million will be spent by the end of December of 1990, and projections at this time are that essentially all of it will be spent by the end of 1990, which is the period of time we have to wrap the five-year agreement up.

Mr. Laurie Evans: Could the Minister refresh me, in terms of the operation of this grant, what was the last

date that it was permissible to initiate a new project under this agreement?

Mr. Findlay: Yes, March 31 of 1989.

Mr. Laurie Evans: I guess the follow-up question then is—I am a little surprised, Mr. Acting Chairperson, that the amount allocated for '88-89 is exactly the same amount that is allocated for the current fiscal year. I would have assumed that there would have been some projects that may have terminated prior to the end of the 1989 fiscal year and that there should have been a lower amount allocated in the current year if new projects could not be initiated; or is the explanation for that, in the continuation of some of the ongoing projects, the amount that was required was greater than it was in the previous fiscal year and this is just sort of an estimate of what that total would be, rather than an exact summation of all of the projects that are going into the current fiscal year?

Mr. Findlay: There is a variety of reasons for what is going on. There are not that many new projects. There are a lot of existing projects that are extended in time and may be extended in terms of the money granted to them.

The best projections we have is that the process we are in, the projects that are presently ongoing, we will utilize the money that is left in the \$38.5 million KAP, in the program before the end of next year. Some have been completed, some have been at various stages of ongoing, and there have been several extensions in terms of time to completion and in terms of additional resources, to get the project completed in the period before the end of next year.

Mr. Laurie Evans: This summary of the Agri-Food projects has been distributed some time earlier, so I have seen it earlier and certainly am very supportive of the type of program that was undertaken, and for the most part have absolutely no concern regarding the type of projects that were supported.

I do have some concern though with the continuity of these programs, and I am sure the Minister shares my concern because we are into the wind-down phase. I am satisfied that there are many projects in here that should be of an ongoing nature, and I would like the Minister to comment on the state of negotiations in terms of what might be the carry-on to the ERDA program, or more specifically the Agri-Food Program which was a sub-agreement under ERDA.

* (1540)

Mr. Findlay: Yes, certainly, as the Member identified, we share the same level of concern about whether we can continue at the same level of activity we have had in the past with regard to funds under ERDA. I am sure he is well aware that there are a number of ERDAs, all of which are being negotiated at this time. It is our desire to negotiate continuity of the Agri-Food portion of that, but also bear in mind that there is some level of continuity with regard to the soil accord that was signed. That soil agreement is in place for the next

three to four years and it triggers about \$11.8 million between the joint federal-provincial program. Hopefully it will leave additional monies from other sources, particularly wildlife sources at the same time.

Many of the projects that will be undertaken under the soils agreement are extensions or built on the kind of programs that were undertaken in Agri-Food, so in the sense of soil conservation, there is a degree of continuity that is in place to carry on those activities. Keep in mind that we aggressively pursue the continuity of Agri-Food under an ERDA similar to what we have had in the past.

Clearly one of the areas that I am sure is in the back of his mind is the continuation of the test plots, zonation trials that are in place across the province which in my mind supply a lot of very valuable data, both for the university and the ag community at large. It is of grave concern that we were able to continue those as part of this sort of a funding process.

Mr. Laurie Evans: Here again I certainly am supportive of the concept of the soil conservation program. I am concerned about a trend that seems to be developing that concerns me, and that is that under the ERDA, the Agri-Food Agreement, we had a 60-40 split. Under the new one with the soil conservation we are talking a 50-50 split.

So once again I am concerned of what appears to me at least as a partial off-loading of federal responsibility. I would ask the Minister, will he be doing his utmost to ensure, if there is a renewal of the ERDA, that it is better than a 50-50? Is he prepared to do his utmost to make sure that we stick with a 60-40 or is this something where we are continually looking at an erosion of the federal input into this?

I would hope that he would be looking at perhaps a 75-25, which I think would be more appropriate. In the recent past, under Crop Insurance, we are assuming a significant component under the province; under the Drought Aid, we are assuming a significant component from the province. So it seems to me that the feds have taken an approach of trying to split the provinces up and getting them one on side at least, and then using that as leverage for all the rest. I would like to know if the Minister can outline what has happened in other provinces as far as ERDA is concerned? It is my understanding that any of them that have been signed to date in recent weeks or months, two things have happened. One is that the total level has decreased, and second that the provincial share on those has increased. Have we reason therefore to assume that if and when a new ERDA is signed with Manitoba that we are going to be confronted with the same thing—first of all, that the total amount would be decreased, and second, that the proportion that the province has to come up with is increased?

Mr. Findlay: To the best of our knowledge, New Brunswick and Nova Scotia have negotiated new ERDAs. It is fair to say that every other province is in the process of negotiating. How the cost sharing will end up—naturally, we will pursue the highest federal share that we can and the lowest provincial contribution necessary to lever as much federal money as we can.

I think first and foremost in most people's mind is the ability to renegotiate new ERDAs. That is first and foremost, and most important. The cost sharing thing will probably be a difficult thing to lever more money. We would probably be happy to be able to negotiate a 60-40 federal-provincial relationship, but we are all in the process of negotiating. We are negotiating in regard to all the ERDAs in Manitoba. We would like to have been in a position to say they are completed at this time, but are not able to.

Mr. Laurie Evans: Can the Minister confirm that the two agreements signed with New Brunswick and with Nova Scotia were both considerably less than the programs that they replaced, and second that the cost sharing in both of those cases was more from the provincial Government than the preceding ones had been in terms of percentage?

Mr. Findlay: We are not aware of those specific details of those two agreements. We will find out and I will get the information to you.

Mr. Laurie Evans: Well, I would like to move on then, Mr. Acting Chairperson, if it is with the Minister's concurrence, on to the Soil Conservation Agreement, and then turn over to my colleague from the Interlake (Mr. Uruski) on questions on both of them if he so desires.

Under the Soil Conservation Agreement, the total that is provided for Manitoba is \$11.6 million over the period of the program. I believe that is correct. If my figures are correct then are we looking at an expansion on this in subsequent years, or is the million that is identified for this year the amount that he anticipates in subsequent years? I do not quite see the progression over the period of the contract.

Mr. Findlay: The way the four-year period is set up with regard to funding, the first year will be start-up year, second year I would anticipate a little more money will be needed, third year will probably be the peak expenditure and fourth year will be a bit of a wind-down phase.

I would expect you will see varying amounts year by year, naturally increasing from one through the third year. It will be subject to a level of activity and so on—that it has developed this year when we prepare the budget for next year. That was the basic game plan.

Mr. Laurie Evans: Is there a clause in that agreement then that allows for continuation beyond the four-year period for projects that were initiated during the four years, like the ERDA with a two-year wind-down, or does the money terminate at the end of the four years?

* (1550)

Mr. Findlay: The way it is structured we have a four-year period, as I mentioned, of operating and a one-year wind-down. The one-year wind-down would be '93-94.

Mr. Laurie Evans: Mr. Acting Chairperson, the total amount that is available for soil conservation nationally

is \$150 million. That is the total, assuming 50-50 with all of the provinces.

Can the Minister indicate how the figure of 11.6 was arrived at as being the Manitoba share? Was this a case of Manitoba did not want to come up with more than 50 percent of 11.6 or was there some sort of a formula in place?

I do not see why Manitoba should be looking at 11.6. It would be less than that if we were dealing with population. It would be more than that if we were dealing with it on the terms of the relative problem, as far as conservation across Canada is concerned. That is just an assumption on my part. Was there in fact anything in place that came up with this 11.6, as opposed to 12.5, or 10.8 or something, or 15?

Mr. Findlay: I will talk in terms of \$75 million, the half. PFRA initially did the allocation of what they saw as the appropriate distribution of the money across the prairie provinces. They did it upon what they determined as their soil degradation costs and appropriated to Manitoba initially \$3.4 million, which we would then match, which would make 6.8.

We felt that was low for us and we petitioned the federal Minister that was not an appropriate figure for us, we wanted a higher figure, and moved it up from 3.4 to 5.8 of federal money which we are matching over the period of time. The initial distribution of money was done by PFRA on soil degradation costs and identifying that major problems exist in the Province of Saskatchewan, I guess particularly on a salinity point of view.

When you drive through the province you can sure see it. I think we have problems in that area, but when I drive through Saskatchewan I can see a much greater area of difficulty.

So that is how the distribution started and we have added to it some 2.4 million, fairly close to doubling the initial figure that they had proposed for us.

Mr. Laurie Evans: In reading over the material that was provided, I guess, for general distribution on this, there does not appear to be any of that fund specifically identified for research purposes.

Is that in fact the case or is there a component in here for research that just is not identified in the press release?

Mr. Findlay: In the allocation, that was done in five categories allocated to research, will be \$500,000 of federal money, and \$180,000 of provincial money for a total of \$680,000 out of the \$11.8 million over the course of the lifetime of the agreement.

Mr. Laurie Evans: The final question, I think, Mr. Acting Chairperson, on this then is: how much of the federal money could be identified as new money? I am a little concerned that they identify \$45 million of this as coming out of the Western Diversification Initiative, which I would assume is money that was allocated when the WDO was established and in fact is not \$45 million of new money. So from the federal standpoint all that

is new money is the difference between the \$45 million and the total that could be the federal share over the life of the program.

Mr. Findlay: From our point of view, what we see happening is the money coming to Manitoba under this program is all new money. It is money that otherwise would not have come to agriculture in this province if it were not for the soil accord and the soil agreement. So we are identifying it as new money in this province, whether there are other ways of calculating how the federal Government has allocated the funds, we are viewing it as new money.

Mr. Laurie Evans: I believe I am correct that \$45 million of the federal share will come out of the Western Diversification Initiative. If one assumes that Manitoba should have gotten more of the Western Diversification Initiative money in terms of our share relative to the other western provinces, had we been getting our share out of the WDO, they may not have had \$45 million there to allocate to this and would have had to have gone into other sources of federal funding in order to provide their share.

So I guess what I am saying is that we are getting money that the Minister can refer to as new money, but the reason we are getting it in soils is that we were not getting a fair share for Manitoba out of the Western Diversification initially, and that is why that money was sitting there.

The question then is—assuming that Saskatchewan and Alberta, and I am not too concerned about B.C. because I really do not know the level of concern with soil conservation in B.C.—to the Minister: are the federal shares going to Alberta and Saskatchewan coming out of this fund, or was there not enough in the fund for the feds to be able to match the provincial component from the Western Diversification Fund in those other two provinces?

Mr. Findlay: To the best of our knowledge, there is WDO money in this program in every province, whether the split is the same or not, we are not sure, but even WDO money has to be viewed as new money to a large extent. We are getting a portion of it in this program. I think in terms of WDO money expenditures in this province, the Minister of Industry, Trade and Tourism (Mr. Ernst) will give you a better accounting, but the level of money coming through the various initiatives has increased fairly substantially in my recollection over the past year and a half.

Mr. Laurie Evans: Can the Minister tell me whether similar agreements have already been signed with Alberta and Saskatchewan?

Mr. Findlay: Yes, they have signed agreements of the same nature.

Mr. Laurie Evans: Well, what I would appreciate the Minister doing, if he has the figures, is to give us either now, if he has them, or at a later date, what the total amount allocated for soil conservation is in Saskatchewan and Alberta? subsequent to that can he

identify how much of the federal share that is going into those two provinces is, in effect, coming out of the western diversification because here we have 45 million out of 75 coming out of WDO. In other words, in my view, the feds are only coming up with \$30 million new dollars for Manitoba.

* (1600)

I would like to know whether they are coming up with a proportional equal amount in Saskatchewan and Alberta, or whether or not the 45-30 split that we are seeing in Manitoba is essentially the same as the split in the other two provinces. In other words, 45 out of 75 coming from the WDO to support the programs in Alberta or Saskatchewan, or whether or not they are in fact coming up with more money outside of the WDO for those two provinces.

The Acting Chairman (Mr. Burrell): I would like to remind the committee Members to be recognized by the Chair for the sake of Hansard. We are getting into a fast exchange there and I see the girl is having problems.

Mr. Findlay: Our information is that for the money going into the Soil Agreement in Saskatchewan, Alberta and Manitoba, in all cases it is 80 percent of that federal money, 80 percent of the federal money is coming out of WDO funds. It was a requirement with the utilization of the funds that the money be spent on on-farm demonstration-type projects. That was the criteria that it was allocated to the provinces under the Soil Agreement that 80 percent of WDO funds.

Mr. Laurie Evans: Well, just a bit of clarification then from the Minister. Obviously 45 million is not 80 percent of the 75 million that is coming to us from the feds, 45 out of 75 is more like, what, 60 percent.

Mr. Findlay: Yes, Mr. Acting Chairman, the Member is talking about 45 million but that was the figure he generated and he put on the record. I will put on the record the amounts of money that we understand went to the various provinces, 27 million to Saskatchewan, 18 million to Alberta. Alberta had initially been offered more money but chose a lower figure. We are not positive it has ended up at 18 but it is probably in that very close ball park, and 5.8 to Manitoba which makes a total of 40.8 million. To the best of our knowledge, as I said earlier, 80 percent of it came out of WDO funds which would be 32 million out of the 40 and the remaining money out of the 75 would have been money spent for similar programs in other provinces of the country.

Mr. Laurie Evans: I am still a little confused, Mr. Acting Chairperson, and maybe that is just inherent in me, I am not sure. This is from the Soil Conservation Agreement signed and it is Canada-Manitoba and I am sure the Minister—he may not have a copy with him but I will just quote from it if I may. It says that the Canada-Manitoba Agreement is part of a national soil conservation program. The federal Government has budgeted \$75 million for this program with participating

provinces providing the matching funds. The federal funding for the national program includes \$45 million from the Department of Western Economic Diversification. So my reading of that is 45 out of 75. I am a little puzzled as to where the Minister says it is 80 percent coming from the western diversification when they indicate here it is 45 out of a total of 75.

Mr. Findlay: Okay, just to follow up on what I have just said, the total programs for across the country, and WDO money is for the four western provinces. I have given you figures totalling \$40.8 million for the three prairie provinces, and B.C. has some component in here too, but using the 80 percent figure, which is what information we are given, that \$32 million of that would come out of WDO funds at this time.

Based on that statement or information you have given, we are \$13 million under that 45 at this time, and there are still some funds there to be utilized, as far as we know, on a national basis, but the 45 out of WDO is just for the four western provinces. It has nothing to do with wherever the source of funds is for the eastern provinces, Ontario and Quebec in particular.

Mr. Laurie Evans: Well, just as a comment and this substantiates my concern, Mr. Acting Chairperson, that for the eastern provinces, the federal Government is coming up with brand new money; for the western provinces, it is taking the bulk of it out of western diversification. This is where I have the disagreement with the Minister. The Minister is saying it is new money. It is not new money in the sense of it having already been allocated. I am satisfied that there should have been enough initiative in western Canada to utilize the entire Western Diversification Fund for purposes other than this.

So while I am very supportive of the program, I am not supportive of the federal Government once again utilizing something that they had announced three or four years ago. I am not sure of the date when the western diversification initiative was announced, but then they turn around and announce another program and take the credit for something that is very innovative in their point of view. In other words, they are using double accounting in a sense. They take the credit for the western diversification, then they turn around and take the credit for the Soil Conservation Program. They are double accounting because they have already announced the money, but have not taken the initiative to identify projects that would have more or less expended that fund, which would have then forced the feds to come up with new money for the soil conservation, the same as they have done in eastern Canada.

So once again they have, in a sense, taken away what should have been money for other purposes to satisfy a new initiative and have shown very little if any imagination in utilizing the Western Diversification Fund for what I thought it was intended for initially, which was not projects such as this. It is my view that if you read the western diversification initiative, it is hard to identify this as being a project that should have in fact been supportable under that initiative. To me it is a case of their coping out in a sense, taking money that

was already allocated, shoving it into soil conservation in western Canada, but in fact identifying totally new funds for eastern Canada.

Mr. Findlay: Mr. Acting Chairman, really what the Member is getting into is a dispute between the federal Government and what they are doing in other provinces. Really in our industry, in this province, in agriculture, we are very pleased to have the opportunity to be able to address conservation programs with the funds that we have allocated to us. We are going to do the very best job we can on delivering on that initiative, an initiative that has received a very high level of acceptance in the farm community.

The staff held a series of some 24 meetings this past spring or late winter throughout rural Manitoba and is very actively pursuing the program. On that basis we are very pleased to participate, pleased to have the money, and pleased to be able to appropriate in the matching funds in this province.

* (1610)

I do not think it is appropriate. This is not the right time or place really to get into disputes about what other provinces are doing. Sure we will always fight for our fair share, and if we can get more than our fair share, great, but right now we have this allocation and we are going to put it to the best possible use.

Mr. Laurie Evans: Well, Mr. Acting Chairperson, this will be my final comment on that. I want to be on record as being very supportive of the concept of the soil conservation. I would just implore with the Minister that in deliberations, not only with his own colleagues but within the federal counterparts, I think once again I get the feeling that Manitoba has been somewhat short-changed in terms of the source and the level of federal funding.

Here again I am concerned that while I support the overall initiative of the soil conservation, and I certainly do not want anything on the record that would infer that I have any reservations about it, I am totally satisfied. I agree that it is a very worthwhile project, but I do want to express my concerns that I would have been happier if the total funding had come from new money, rather than coming from the Western Diversification Initiative. It is my view that the Western Diversification Initiative, by this time all of those funds should have been identified as to where they are going to go, rather than have them used in this manner which I think is a diversion of funds that could have been justifiably used for other projects rather than this one.

Mr. Findlay: Mr. Acting Chairman, I would just put on the record that I thank the Member for his comments. It is safe to say we share the same level of frustration and we will do our best.

Mr. John Angus (St. Norbert): Being the sometimes Honourable Member for St. Norbert, Mr. Acting Chairperson, I appreciate being allowed to enter into this contest as to see who can have the last word on a particular issue that they seem to be agreeing upon.

Mr. Acting Chairperson, my question, and I do not want to impute any motive or any suggestion that any of these programs are not worthwhile, but I am totally unfamiliar with the selection process, the criteria of how individuals justify, or apply for, and I wonder if the Minister would be kind enough just to explain to me how we decide to distribute this \$30-odd million. That is the first part of it, and the second question is related to that.

Mr. Findlay: Yes, criteria were set out for the program for allocating both the federal and the provincial money. The selection process is in place and involves two federal members, two provincial members, a four member selection board that receives all applications and uses that criteria to evaluate the proposal relative to what new information it can generate, whether it is a logical proposal, the economics of the proposal, and so on and so forth. In the lifetime of the agreement some 360 proposals were brought forward. In the vicinity of 200 were actually funded, so a little over half of the proposals. In some cases, money was allocated from the federal sources, in other cases from the provincial source, but the same selection committee, the same four people analyzed everyone, whether it was for federal money or provincial monies. There was uniformity in the process from application to application. There are two federal members, two provincial members, two out of my department, and two out of PFRA.

Mr. Angus: The second part of this question may be a little bit more complicated and the Minister maybe too new in his department to comment on it. I will leave it open to him to interpret it.

My concerns centre around the control of the programs and the appropriate expenditure of the money after the money has been invested. What audit controls, what evaluation programs, what work is done to ensure that the money is being applied to the research that is required or that it has been designated for? The reason that I ask that is that I am led to believe that a number of research people will apply for what they think is popular and what they think will get them funding in order to be able to promote what might be worthwhile projects but are hidden agendas in departmental expenses.

I am very concerned when we give money away to professional people with integrity that the money is accounted for and that the investment of that money is accounted for in an appropriate fashion, so I would just like, without pointing any finger at anybody specifically, to know what controls the Minister has in place to ensure that the projects and the money is going to the issues that they want it to go to.

Mr. Findlay: Just in the comments that the Member made, he alluded to professionals always applying for the money. By and large we look at the number of people that were involved in running projects. There are a lot of farmers, farm associations, a lot of projects of that nature beyond just the university professor sort of relationship.

They are very cognizant of the kind of situation that you raised with regard to trying to be sure that what

was laid out in the initial application, which was accepted as a thing to do, is actually done. There is an annual audit in place, and if the person did not do the project as laid out, the funding would not flow. So there is a fairly strict audit, and in the process of evaluating applications, they also in many cases entered into dialogue with the applicant. In many cases the amount of money allocated was less than the amount applied for, so they I guess squeezed them down and got technically the same level of work done for less money. But our belief is that by and large the applications, as proposed, were done as proposed, and the evaluation and audit process has been reasonably good enough to guarantee that that is what was done.

* (1620)

Mr. Angus: I have two very final questions. The first one is that I heard the Minister say that the money is handed out in increments or in sections based on performance that is evaluated in some way, shape or form. I think that is a good method of maintaining the control as long as it is accompanied by random audits or on-the-spot random audits by somebody who ensures that what is being said is in fact being done. That is the first thing. But on page 93, for instance, electronic livestock identification program says this project was terminated because no suitable electronic livestock identification tags could be found. That money then would not have been spent, or that money would have gone back, less minor administrative investments, I expect, and a confirmation from the Minister that they will look at ensuring that the tax dollars are invested, these worthwhile projects are indeed being done and controlled in a very good fashion.

Mr. Findlay: Mr. Acting Chairman, the Member commented on a specific project, and only money spent was that for which the actual work was done. When they reached the position that there were not tags available to electronically identify whatever component was identified for that portion of the project, it was never extended and the money just stayed in the pot reallocated to some other project in a subsequent allocation period.

He might also like to know that just in terms of trying to maintain public accountability, if the funds are used appropriately as was identified in the initial application, for every project there is a staffperson identified as a project leader whose job it is to technically oversee it, to assure that, and they are part of the accounting process and the evaluation. So we think there is a reasonably good accounting going on. I must say the public—a lot of those projects were pretty visible out there. If there was anything going on that was not appropriately done, the public at large would have soon made us aware and got things back on track.

Mr. Uruski: Mr. Acting Chairman, I have just a few questions in this whole area of agreements. As I understand, we are in the wind-down stages of the Agri-Food Agreement, which is a five-year \$38 million agreement. We are now in a process of, and have signed, an \$11.6 million agreement, as I understand, to replace the Agri-Food Agreement. Is that correct?

Mr. Findlay: I do not think we would want to call it a replacement for Agri-Food but an extension of conservation related activities that were carried out under Agri-Food. You might call it a sequel to Agri-Food in the soil conservation area but not effectively a replacement. We are still in the process of negotiating ERDAs for this province and we would want Agri-Food to be part of the total ERDA package for extension beyond the end of December 1990 which is the deadline for expenditures under the existing \$38 million. It is in part an extension of activities which were generated under Agri-Food.

Mr. Uruski: There is no doubt that components under food consisted of conservation measures, activities and demonstrations. Is the Minister telling me then that there is a possibility of having an additional agreement in the next 12 months that in fact would see an extension or a sequel, whatever the definition, but a further continuation of federal-provincial agreements of the type of Agri-Food in addition to the one that has already been signed?

Mr. Findlay: That is the process we are in, the process of renegotiating ERDAs and wanting Agri-Food to be one of those ERDAs. We are in that process of negotiations that there will be a sequel beyond 1990.

Mr. Uruski: Mr. Acting Chairman, could the Minister indicate whether, I know he has transferred the branch from his department, the Water Services Board, whether in fact within the ERDAs that those discussions with respect to sewer and water would be part and parcel of the overall discussions.

Mr. Findlay: There is no question, they will be part and parcel but I think any further comment in that regard should be addressed in the next set of Estimates on rural development. As soon as you wind this up you will be in rural development and that is the time and the place to pursue it. The desire is that there be an element in there.

Mr. Uruski: Mr. Acting Chairman, I realize it belongs to another department but clearly the Government and not each individual Minister is negotiating. There is a group, I am assuming, probably the same group that we had the same group having discussions with the federal Government on these agreements and part and parcel of the negotiations there has to be a governmental strategy setting out certain priorities which the Government has in terms of federal-provincial relations and agreements.

Possibly the Minister is on the Cabinet committee that heads up these kinds of negotiations and, if he is, the areas certainly of priority would be welcome news, I think, to most of us as to where you are headed. Sewer and water certainly was one that was on our agenda and I am assuming it remains the same.

What other areas in terms of rural development agreements are we looking at in terms of present renegotiations since the Minister is expecting an enhanced or at least a supplementary agreement as a follow-up to the signed conservation agreement which

I want to add my support and our Party's support to the thrust. I think the timing and the expansion of conservation measures are more than timely and likely foresight at the time that we signed the Agri-Food Agreement we might have put more into it. But a \$38 million agreement at that time was nothing to sneeze at either. Clearly, I would like to have, if the Minister is at liberty, to put on some of his thoughts on behalf of the Government as to where we are heading in terms of future agreements.

Mr. Findlay: Well, I think the best I will say to the Member is I can only comment on the area that I have the responsibility for. Clearly agriculture is a very high priority with our Government. Agriculture is the driving force of rural development. Sewer and water, when I had that responsibility, was very high on our list of priorities for getting that sort of agreement in place, and I can tell that it still is.

The industry of agriculture—as I am sure the Member will agree—goes well beyond just production at the farm level. It goes right through the processing sector. It goes through transportation. It is all the people that supply goods and services. So therefore, any activity at the primary level has a very significant influence on rural development as a whole.

* (1630)

So the level of importance of agriculture in this province should never be diminished, and it will be put first and foremost in the process of our negotiating with the federal Government. If we are going to have western expansion and regional development, agriculture has to be the focus of it. You can bring in processing plants, but if you do not have the strong agriculture base, those processing plants will not fly. So that is the approach I take in any discussions I have with any committee that I am associated with in terms of carrying this issue forward to get completion of a series of new ERDA agreements with the federal Government. Other Ministers and their particular responsibilities can respond as to where they are at.

Mr. Uruski: Well, Mr. Acting Chairman, earlier agreements have in fact expired for—what is it now?—almost two years. Some of the agreements have in fact expired, and they have not been renewed. Is the Minister telling me that there is likelihood that within—let me confirm that—within the next twelve months on the Agri-Food Agreement that there in fact will be a sequel?

Mr. Findlay: Well, the Agri-Food Agreement expired March 31, 1989, as I have already said, and was extended in terms of expenditures to the end of December of 1990. I cannot give him a firm date as to when we will have concluded successful discussions with the federal Government in terms of extending this particular ERDA. In 12 months, surely to goodness, we will be in a better position to make an announcement of completion before that. That would be my desire. Whether we make it or not is completely up to the negotiation process, but I would not want to be restricted in time. I would want to have something in place before the end of 1990 if there is any way it could be done.

Mr. Uruski: Mr. Acting Chairman, is there any change in thrust in terms of the discussions that are now going on? What would the Minister see in a new agreement that may be beyond what we have seen in Agri-Food and Conservation presently?

Mr. Findlay: I guess he is looking for what would be additional thrusts, and I guess it is fair to say that the thrusts that I see as important will be part and parcel of it, and I have identified them in the past as increased productivity; diversification into production of other products for which there is a market; and putting some accentuation on the value-added components so that if we do not sell the raw product, we sell some product in the export market that has some additional value added through whatever degree of activity we can do in western Canada. Then the marketing side is a very important thrust that needs to be done with whatever we are producing and whether we are selling the raw product or the value-added products. So that is the new thrust from my point of view, following up from primary production to increase the number of jobs in our province related to the primary production we are doing, and being able to access the markets wherever they exist in the world, and be able to economically compete with our competitors out there.

The Acting Chairman (Mr. Burrell): Is it the—the Honourable Member for Fort Garry (Mr. Laurie Evans) have anything to add? Is it the will of the committee to pass—pass.

An Honourable Member: Why would he have anything to add now?

The Acting Chairman (Mr. Burrell): I am not quite sure.

Resolution No. 12: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,057,500 for Agriculture, for Federal-Provincial Agreements—pass.

Does the committee want to move now to item No. 9. Drugs and Semen Purchases? The Honourable Member for Fort Garry.

Mr. Laurie Evans: Mr. Acting Chairperson, I will comment on this one. Can the Minister give me a little indication of the mechanics of the drug centre? Is my assumption correct that the purchases are done by the drug centre primarily because of the advantages of bulk purchases and that type of thing, and that all veterinarians then have access to the drug centre in terms of the availability for their individual practices?

Mr. Findlay: Yes, Mr. Acting Chairman, the Member has technically identified primarily what is going on in the drug centre. Because it buys in volume, it gets discounts in the bulk purchases and then can pass that saving on to the various vets. The drug centre prices the drugs that the vets will sell them at in the vet district situations, but the vets can buy the drugs from any source they want. They do not have to buy it from the drug centre but by and large, because of the bulk buying policy at the drug centre, most drugs if not all are cheaper for the vets to get them from there rather than

from the distributor directly. It seems to have worked reasonably well, and probably through that process the vast majority of drugs are available at the most reasonable price that they can get them anywhere.

Mr. Laurie Evans: I assume that this, as far as the province is concerned, is a non-profit arrangement. In other words, it is not the intent of the province to make any profit on this.

Mr. Findlay: Yes, technically it is a non-profit operation through the drug purchasing. When you take into account the cost of the drug and the cost of the staff and balance that against the revenue we obtain through the sale of those drugs, it is technically a break-even situation.

* (1640)

Mr. Laurie Evans: Does the Minister have any figures on what percentage of the drugs that are handled by the drug centre go to the servicing of economic animals, as opposed to that which ends up going to servicing of pets and so on?

Mr. Findlay: Yes, we do not have exact figures here but the speculation is that it is in excess of 80 percent of the drugs that are handled by the drug centre go toward treatment of farm animals. But there is no restriction to identify or restrict drugs being purchased through the drug centre for the small animal trade, but the vast majority, I say, in excess of 80 percent, goes through the drug centre to the clinics for the large animal practice.

Mr. Laurie Evans: I assume, Mr. Acting Chairperson, that there is a markup of the drug price as it goes from the drug centre to myself, for example. If I take a dog or a cat in, is there any agreement or any control whatever between the price the veterinarian pays to the drug centre and what they are permitted, or what they do in terms of markup on those prices when they go the next step?

Mr. Findlay: The markup that is used by the drug centre for large animal drugs is 6 percent and for small animals 10 percent, and that pays for our cost of running the centre. But the drugs that leave there, annually there is a negotiated price, markup, that the vets will use in the vet districts, over and above that markups I just gave you, and by and large the vets that practice on their own, the privately practising vets, outside of the vet districts, by and large, use the same markup. They do not mark it up any further than what the vet district vets are selling drugs at, probably because of a competitive situation. I guess it is fair to say we have had a desire across the Saskatchewan border to acquire drugs at the same price that we are making them available on this side of the border to our vets.

Mr. Laurie Evans: Moving on within the same area here, then the comment is made at the bottom of the page, which the Minister obviously is aware of, the '89-90 figures represent expected growth, and in both cases it is a negative growth. Does he attribute the majority

of this to the drought, or are we looking at an overall decline in animal numbers which then is reflected in a reduction in both the drugs and the semen, or is it a case where a larger component of both of those are coming via the private sector?

Mr. Findlay: In terms of the actual revenue obtained at the drug centre, it has been growing at, going back to '83-84, a growth of 650,000; next year 650,000; year after that 780,000; year after that is 570,000; from '87-88 to '88-89 it has grown by another 500,000. So it has been a continuous growth in the revenue obtained in terms of drug sales there. It has been totally computerized there now, and that has just been in the last three or four months that that has happened. There is a better ability now to keep the inventory level down, closer control of what is there, what is needed, so in that regard there is more efficiency there now.

Also in the past year there has been probably—unfortunately we did not have the computer up and running a little sooner because there were delay payment discounts available from some of the suppliers that the drug centre could not take advantage of because the computer was not set up to handle that. But it is set up to handle that now and on into the future. There is a continuous growth. No doubt the drought last year did cause some slowdown in the rate of growth of drug sales, but we do not think that we are into any sort of stable or slow-down phase with regard to the future drug sales to the drug centre.

Mr. Laurie Evans: Within this section, my last question, is the A.I. centre restricted to just dairy and beef cattle, or are you involved with hogs or sheep or any other livestock at this time?

Mr. Findlay: The semen that is supplied through the semen distribution centre is strictly a dairy and beef with about approximately 80 percent that would be in the dairy business. We have assisted the swine A.I. centres but we are not actively distributing their semen.

Mr. Laurie Evans: Of the A.I. services that are provided in Manitoba, does the Minister have a figure as to what percentage of it is handled through the province as opposed to that which is handled through the private sector, particularly I assume the beef industry? The private sector is a bigger player in that.

Mr. Findlay: This is between western breeders and American breeders, that they would handle about 50 percent of the semen in the province and our centre about 50 percent. We are not sure relative to dairy versus beef whether one is higher than the other with regard to that split in percentage, but it is roughly half and half.

Mr. Laurie Evans: Well, Mr. Acting Chairman, I would be prepared to pass this.

* (1650)

The Acting Chairman (Mr. Burrell): Resolution No. 14: RESOLVED that there be granted to Her Majesty

a sum not exceeding \$7,290,700 for Agriculture, Drugs and Semen Purchases—pass.

Item 10 Education Tax Reduction Program for Farmers—the Honourable Member for Fort Garry.

Mr. Laurie Evans: I believe this was discussed at considerable length last year and I would assume my colleague from the Interlake would agree that where necessary there will be agreement to disagree. I think the procedure that is being used this year is identical to last year.

The question I do have, Mr. Acting Chairperson, is: I would assume that the 15.4 million that is identified this year is based on the amount that was actually expended last year, because obviously if 25 percent required 12 million, 35 percent I think would require 16.8 million as opposed to the 15.4 million. I have to assume that the 12 million that was identified last year was an over-estimate of the amount that was actually expended. Is that correct?

Mr. Findlay: Last year's expenditure on the program ended up at 11.08 million. That was projected forward to get the budgeted estimate for this year. Basically the program is the same with a couple of administrative changes. One is that the 35 percent benefit has been printed right on the tax bill this year. The money has already been advanced to the municipalities to cover about 90 percent of their expected rebate to occur municipality by municipality. The money is out faster and it is shown on the tax bill directly as a printed item.

Mr. Laurie Evans: I believe if you look at last year's discussion on this the Minister's intent, I assume, is to continue to try and reduce the education tax on farmland. Is he anticipating a further reduction on an annual basis? I guess the question is: if it was 25 percent the first year, what was the rationale in only increasing it by 10 percent in the second year as opposed to jumping up to 50 percent in the second year and removing this at a faster rate?

Mr. Findlay: Very clearly our intent has been to continue to reduce the amount of education support levy the farmers are paying for the Province of Manitoba. We believe that the ability of farmers to pay education tax on bare farmland is an inequity and we are attempting to continue to address it. Obviously for budgetary considerations we cannot go "bunnnng" all the way up to the top. We are working at it progressively and steadily. It is a lot better than where we were at three years ago where no rebate was in place. We continue to work at it that way and with the administrative changes we have put in place, we have alleviated some of the problems at the municipal level with regard to calculating it and having the money in their hands in sufficient time so that they are not out of pocket in the process of giving the rebate. So we are at 35 percent, and in fact—70 percent of the Education Support Levy to the province.

Mr. Uruski: Mr. Acting Chairman, I will just make a few brief comments. I am disappointed that the

Government continues to provide tax relief to absentee owners of farm land rather than owner operators and operators of farm land. That continues to be my, and our Party's, difference of opinion with the Government. We feel that several millions of dollars are going out of this province at a time when we are losing jobs left, right, and centre, with base closures, with rail closures, with factory closures. Here we are passing out several millions of dollars out of this province at a time when the budget of the Department of Agriculture was underspent by \$19 million last year. Here we have the Government saying, well, we will increase it by 10 percent, and so we are sending 10 percent more money out of the province, Mr. Acting Chairman, and that is where we stand on this issue.

In fact the program that is announced now, at this point in time, falls far short of the thousand dollar per farm family commitment that we made in '88, and just for a few people, unless they have eight-quarter sections of land or more, they will be the general beneficiaries. The vast majority of what would be considered average-sized farmers in Manitoba are still receiving less benefits than they would have under our program previous.

Mr. Findlay: Mr. Acting Chairman, the Member still talks about figures that are just pulled out of the air. You had a \$500 rebate in place and all of a sudden this figure of a thousand just pops in out of the wilderness. He is the same Member who also denied credits to widows and retired farmers, and really, let us face it, the people who are paying the tax are the legitimate benefactors of any rebate.

If you want a social program to look after small farmers, do it separately but do not try to blend it with a tax rebate program. A tax rebate can only be applied where a tax is actually paid, so therefore the person who paid the tax should get the rebate. Simple, straightforward, obvious arithmetic is there. To just pluck this thousand-dollar figure out of the air is a little strange when they had the \$500 limit in place which was really a social program. It was not a tax rebate program, and if the Member believes that there should be special assistance programs for small farmers, then say that, but do not tie it into a tax rebate program. It is an unfair tax and the majority of farms receive a significant benefit from it, and we have done everything we can to make it as fair as possible. The financial institutions do not get the rebate. The landowner, who owns the land, who pays the tax, he is the one who gets the rebate.

Mr. Uruski: Mr. Acting Chairman, the Minister of Agriculture (Mr. Findlay) continues to have the conservative blinkers on. I mean that is in essence what we have here. How can he justify sending in excess of \$2 million out of this province to absentee landowners? They are the ones who are paying the taxes but that is where the benefits are going. That is where the benefits, several millions of dollars, out of this program—for the Minister of Community Services—over \$2 million dollars of this \$15 million is going outside of Manitoba. That is a fact of the matter. For those widows who they argued about, they could have devised a system to deal with that question. Instead they said, let us open it up. You took over.—(interjection)— You did.

I admit that we lost the election but, Mr. Acting Chairman, as well, when the Minister talks about plucking a figure out of the air, we keep our commitments. We keep our commitments when we make pledges, unlike the First Minister of this country, who month after month says one thing before an election and does exactly the opposite after the election, and I want to tell the Minister we do keep our commitments, and our commitments are to keep farmers on the land, not to send millions of dollars out of this province to absentee landowners.

* (1700)

Mr. Findlay: I think the Member is misusing statistics to some extent because if he is using the figure that absentee means somebody is not living in the municipality, but he still lives within the province, that is really an abuse of the statistics, and many of those absentee owners are retired farmers who paid tax for 40 years, and widows who are in a difficult position, whose only income is from that land.

The Acting Chairman (Mr. Burrell): Is it the will of the committee to pass this?

Resolution 15: RESOLVED that there be granted to Her Majesty a sum not exceeding \$15,400,000 for Agriculture—pass.

The hour being 5 p.m., it is time for Private Members' Hour.

The Honourable Member for the Interlake.

Mr. Laurie Evans: Mr. Acting Chairperson, I think with the agreement of my colleague from the Interlake (Mr. Uruski), we are prepared to pass the Agriculture Estimates.

The Acting Chairman (Mr. Burrell): I am advised by the Clerk that we are obliged by House Rules to suspend the committee and go into Private Members' Hour.

Committee rise. Call in the Speaker.

IN SESSION

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

HOUSE BUSINESS

Hon. James McCrae (Minister of Justice and Attorney General): Mr. Speaker, I have had discussions with House Leaders and others, and I believe Honourable Members of this House would like to join other Manitobans on Monday and observe Thanksgiving Day. It is also the wish of the Members that Tuesday sits as regular Tuesday hours, the day following Thanksgiving.

Mr. Speaker, I am announcing today that the Industrial Relations Committee will sit Tuesday morning, October 10 at 10 a.m., in Room 255 to consider Bills referred.

Mr. Speaker: I would like to thank the Honourable Government House Leader for that clarification.

COMMITTEE REPORT

Mr. Harold Gilleshammer (Deputy Chairman of Committees): Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and ask leave to sit again.

I move, seconded by the Honourable Member for Gimli (Mr. Helwer), that the report of the committee be received.

MOTION presented and carried.

PRIVATE MEMBERS' BUSINESS

DEBATE ON SECOND READINGS PUBLIC BILLS

BILL NO. 2—THE LANDLORD AND TENANT AMENDMENT ACT

Mr. Speaker: On the proposed motion, of the Honourable Member for Inkster (Mr. Lamoureux), Bill No. 2, The Landlord and Tenant Amendment Act; Loi modifiant la Loi sur le louage d'immeubles, standing in the name of the Honourable Minister of Environment (Mr. Cummings), who has six minutes remaining, and, by leave, will remain standing in the name of the Honourable Minister of Natural Resources (Mr. Enns), who has two minutes remaining, the Honourable Minister of the Environment.

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, I was in the middle of -(interjection)- Yes, as a matter of fact, I was in full flight when I was speaking on this Bill the last time that we had Private Members' Hour, and I was alternately pleading and cajoling the Member for Inkster (Mr. Lamoureux) to withdraw this Bill, because it seems to me that we have coming down the pipe a very comprehensive set of actions from the part of the Minister of Housing (Mr. Ducharme) who has introduced the Bill, and who is prepared to enter into discussion.

I think that the Liberal Opposition is, as I said before, taking just a wee bit of advantage of the fact that they wanted to get on the record saying something about housing, landlord and tenant relations without actually having taken responsibility for the fact that there are a large number of amendments and changes that need to be made in dealing with this particular issue.

Mr. Speaker, I want to tell you that when I first entered into examination of this topic, I must admit that I was not someone who was well versed with tenant-landlord relationships, having not had a large number of landlords over the course of my lifetime, but I can tell you that after considerable discussion with the department and the committee meetings with the Minister of Housing, that it becomes increasingly apparent to me that the important part that this Government had to deal with is, first of all, the efficacy of dealing with problems that arise between landlords and tenants, make that system work smoothly, make it so it is not overly punitive to one side or the other, and make it so that it is clearly understood.

Mr. Speaker, it seems to me that this Bill does not address that. This addresses a small problem—or not a small problem, but a specific problem, only in a very minor manner and does not deal with the overall needs of reform in landlord and tenant relationships.

An Honourable Member: Very narrow Liberal views.

Mr. Cummings: The Member from Arthur, the Minister of Northern Affairs (Mr. Downey) spent a great deal of time in the last debate and considerable exhaustive research bringing forward to this House his concerns about the punitive nature and the interventionist nature of this Bill.

Mr. Speaker, I am afraid that fell on deaf ears. I think it is important that we all appreciate the problems that do arise between landlords and tenants and I have to tell you that if we were to proceed with a Bill of this nature, something scoped this narrowly without looking at the impacts of this in the overall framework of the problems that have to be dealt with within landlord and tenant relationships across the province then we will be doing a disservice to the people of this province.

* (1710)

Mr. Speaker, I would therefore urge the Members of the Legislature to reject this Bill at this time and I am sure that the Member for Inkster (Mr. Lamoureux) would not be insulted if that were to happen because ultimately he will have the best interests of the landlords and the tenants of this province at the forefront of his thinking and he would be quite prepared to if not withdraw, at least to have an open mind when the balance in Government legislative program is brought forward. It will be a program that will deal with the broader issue with the broader scope of problems that face us out there and will therefore leave us with a situation where we do not have a lingering problem within landlord and tenant relationships.

There are a considerable number of tenants out there, Mr. Speaker, who have expressed dissatisfaction with the system as it now stands. At the same time need to correct that system by simply coming down on one side of the issue such as this Bill would propose, does nothing to improve that situation and leaves them in fact with a further bone of contention to cause potentially at least disagreement between landlord and tenant.

I would leave you with the thought that this Bill should be withdrawn, if the Member for Inkster (Mr. Lamoureux) is not prepared to withdraw then I hope he would rise in his place and indicate that he is prepared to look at the broader issue and in fact this is only one of many thoughts that he is prepared to bring forward to this process.

I would leave this standing in the name of the Minister of Natural Resources (Mr. Enns) and leave my request on the floor that the Member would withdraw this.

Some Honourable Members: Hear, hear!

Mr. Speaker: By leave this matter will remain standing in the name of the Honourable Minister of Natural Resources (Mr. Enns).

**BILL NO. 13—THE MANITOBA
INTERCULTURAL COUNCIL
AMENDMENT ACT**

Mr. Speaker: On the proposed motion of the Honourable Member for Selkirk (Mrs. Charles), Bill No. 13, The Manitoba Intercultural Council Amendment Act; Loi modifiant la Loi sur le Conseil interculturel du Manitoba, and the motion of the Honourable Member for Thompson (Mr. Ashton) that the question be now put standing in the name of the Honourable Minister of Health (Mr. Orchard). (Stand)

**BILL NO. 21—THE UNFAIR
BUSINESS PRACTICES ACT**

Mr. Speaker: On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 21, The Unfair Business Practices Act; Loi sur les pratiques commerciales déloyales, standing in the name of the Honourable Minister of Justice (Mr. McCrae). (Stand)

**BILL NO. 22—THE CONSUMER
PROTECTION AMENDMENT ACT**

Mr. Speaker: On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 22, The Consumer Protection Amendment Act; Loi modifiant la Loi sur la protection du consommateur, standing in the name of the Honourable Minister of Housing (Mr. Ducharme). (Stand)

**BILL NO. 23—THE CONSUMER
PROTECTION AMENDMENT ACT**

Mr. Speaker: On the proposed motion of the Honourable Member for Elmwood (Mr. Maloway), Bill No. 23, The Consumer Protection Amendment Act (2); Loi no 2 modifiant la Loi sur la protection du consommateur, standing in the name of the Honourable Member for Elmwood, who has nine minutes remaining.

Mr. Jim Maloway (Elmwood): I did want to further explain some of the provisions of the Bill. This Bill really provides for deposit legislation in this province and much earlier in 1983 the Government of the day did pass but did not proclaim deposit legislation which I think, probably rightly so, the Opposition may have jumped on at the time as being onerous to small business because the original proposal was that deposits exceeding \$50 would have to be held in. It was suggested at the time that would provide for an onerous bookkeeping problem for small business.

That original proposal was amended in committee to 10 percent deposits. This particular Bill comes in with, what I consider, a very reasonable limit and that is that deposits that businesses take cannot exceed 20 percent of the selling price of goods on any retail sale of goods. I have checked with a number of small businesses in this province and each and every one of them have indicated to me that 20 percent is a very reasonable deposit and certainly is not a detriment or

a onerous burden on any of them in the businesses that they are involved in.

We have also indicated that all deposits in excess of \$500 per transaction must be held in trust. Once again, when you consider that there are not all that many transactions that involve deposits of \$500, I do not think that any business in this province that takes in deposits of \$500 would object nor do I think that any resident of this province would object to businesses having to put into trust, deposits of \$500 and up. We have gotten rid of all of the bookwork involved with taking deposits of smaller amounts. This will protect the consumers of high ticket items when the deposit exceeds \$500.00.

I went on last year and explained and gave examples of a number of people last year who lost a fair amount of money in sunrooms that were never built, when salespeople went out and took deposits far in excess of 20 percent. In fact, I believe in one case the salesperson came to the person, an elderly couple, and suggested that to them—if they paid the entire amount up front that he would give them a 10 percent or 20 percent discount. Of course, it was an offer that they were attracted to and they accepted. They wrote a cheque for something like \$13,000 or in that neighbourhood. Of course, they are out all of this money. That, of course, has created a lot of strains and stresses on this elderly couple who have lost a very big chunk of their retirement income. It is not the kind of, well, strain like that, on people of any age, is not something that we would wish on anyone, and particularly people at that age should not be subjected to that kind of stress.

Mr. Speaker, there has also been the suggestion that somehow companies should be able to rely on customer's deposits to fund their operations. We do not believe that that should be the case. We feel that a business that has been operating in a province for any length of time that is reliable should be able to establish a line of credit at a bank, should be able to establish a line of credit with suppliers. I mean, after all, any business that has been around for any length of time that is reputable can do those things, can get 30 days credit from suppliers, can get a line of credit at the bank. Any business that cannot do those things, then I really question how solvent they really are, if they have to be doing today's job with tomorrow's money.

We have also brought in some exclusions, most of which were brought up at committee at the time, which we felt were obvious exclusions. Representations were made by the Retail Monument Dealers Association and we felt that their representation was well presented and made sense. After all, what can you do with a finished headstone if the family decides they do not what it? That was an obvious example of a business that should be excluded. Retail dealers in custom clothing and garments and shoes were also excluded.

* (1720)

I did suggest at the time that we could entertain further exclusions, but if we were to put in an exclusion,

excluding customized work, we feel that would be bad because then anybody who is doing work of any type could simply maintain that they were doing custom work and thereby get around the Act in its entirety. We do not feel that would be in keeping with the spirit and intent of the Act.

So I have certainly said many times that we are prepared to entertain more exclusions at the committee stage. I am sure there are many other small businesses and so on that, for one reason or another, would have to be excluded, and we accept that. We only included what we saw at the time, what the people that objected at the last go around, and we are prepared to entertain more, but I do not think to the point where we would just exclude custom services, custom goods, because that would potentially be too broad a brush and could potentially defeat the intent of the Bill itself.

Now, Mr. Speaker, I do not know that this particular Bill is really understood by everyone, even though we have gone to great pains to explain how acceptable it should be, given the fact that we are talking about only large deposits. I have spoken with a couple of the Government MLAs who have detailed to me examples of farm equipment manufacturers who have taken large deposits on farm machinery and then faced bankruptcy. So to that Member that I spoke to about that, and to others, the fact of the matter is that there are many, many examples where people do make deposits today, in good faith, to a business that has been around for awhile. It is not the fault of the person buying the product that the business is using it for the wrong purposes or in fact goes bankrupt. These things happen in our market economy and we have to face that.

There should be a protection for people who are making these large deposits so that they do not unwittingly turn over their money in good faith, and then find that it is lost because the party that they gave it to becomes insolvent.

Mr. Speaker, I once again commend this Bill to the House and hope that it passes in short order. Thank you.

Mr. Speaker: Is the House ready for the question? The Honourable Minister of Justice.

Hon. James McCrae (Minister of Justice and Attorney General): Mr. Speaker, I move, seconded by the Honourable Minister of Energy (Mr. Neufeld), that debate on this Bill be adjourned.

MOTION presented and carried.

SECOND READINGS—PUBLIC BILLS

BILL NO. 4—THE HIGHWAY TRAFFIC AMENDMENT ACT (2)

Mr. Ed Mandrake (Assiniboia) presented, Bill No. 4, The Highway Traffic Amendment Act (2); Loi No. 2 modifiant le Code de la route for second reading, and be referred to committee of the House.

MOTION presented.

Mr. Mandrake: Mr. Speaker, the reason that I am introducing this Bill is to tighten up the language in the Act. It also reflects the reality that the letters on the licence plates as well as the numbers should be visible. Presently the Act only requires that the numbers be visible. It was probably the intention that the reference numbers in the Act included letters, but nevertheless a loophole does exist and should be rectified.

This amendment will also make it imperative that the validation sticker be visible, with further emphasis on the need to keep the licence plate clean and visible.

Mr. Speaker, in my travels you have seen the rear licence plates being covered with little stickers from the various automobile companies, covering up "Friendly" and "Manitoba." That is an insult to me, Mr. Speaker. That is very much of an insult to me. I am a proud Canadian. I am a proud Manitoban, Mr. Speaker, but more so I am a proud Manitoban, and I think anybody who covers up "Friendly Manitoba"—that should cease immediately. There is no reason to have our licence plates being defaced in that particular fashion. I would kindly ask the third Party and also the present Government to take this Bill, pass it in second reading so we could go to committee stage and implement this amendment, because I think it is so important that we have it on the books immediately.

As I have said, the rear licence plates on these vehicles should be visible and we should be displaying them with great pride. We are a province which is friendly and we are the Province of Manitoba. There is no reason in the world why those two things should be covered. Those are my comments on this Bill, Mr. Speaker, and I would certainly hope they get the support of the Government on this Bill and pass it to committee stage.

Hon. James McCrae (Minister of Justice and Attorney General): Mr. Speaker, I move seconded by the Honourable Minister of Family Services (Mrs. Oleson) that debate on this matter be adjourned.

MOTION presented and carried.

BILL NO. 10—THE BEVERAGE CONTAINER ACT

Mr. Gilles Roch (Springfield) presented Bill No. 10, The Beverage Container Act; Loi sur les contenants de boissons, be now read a second time, and be referred to a committee of this House.

MOTION presented.

Mr. Roch: Mr. Speaker, I would like to just give a brief outline of the purpose of this Bill. Essentially the purpose of the Bill and the reason I introduced it is to encourage environmentally sound management of beverage containers throughout the Province of Manitoba. I found that especially in rural Manitoba there has been an increasing proliferation in beverage containers littering the roads and ditches in rural areas.

* (1730)

Mr. Speaker, this Bill, which I would hope would get all-Party support, is intended to not only be an environmentally sound management Bill but also an anti-litter Bill. What it essentially does is impose upon all beverage containers sold in this province a minimum deposit so that people are encouraged to return the containers that they buy. The legislation is modelled after one of the better Bills which I found in my research. That is the legislation now in place in Alberta which I would like to point out to Members opposite was introduced by the former administration of Peter Lougheed, and in turn that legislation was modelled on other Acts existing in various other Canadian provinces as well as American states.

British Columbia also has an Act of a similar nature but it does not have quite the teeth, quite the regulation that this one has. It would not be in my opinion an inordinate burden on any retailer of beverage containers. We already see in the case of some containers which are sold in this province a refund to be provided where required by law.

I know that I, myself, being in an industry which handles both refundable and non-refundable containers, it certainly is not a hardship to handle the return of these containers, and indeed when one provides, for example, independent grocers with an administration fee they may even find it an incentive to do so. But the point really is the consumer, because it is interesting. One of the best examples I can use I suppose is the comparison between soft drink cans which are aluminum and beer cans which are also aluminum.

It is mandatory, by way of regulation of the Liquor Control Commission, to have a deposit on beer cans, whereas such is not the case on soft drink cans. Therefore, Mr. Speaker, whereas you will often see from time to time as you travel throughout rural Manitoba, empty soft drink cans in the ditches, you will seldom, if ever, see empty beer cans for the very reason that for those people who are not conscious enough of their environment to return these containers, who throw them away rather than return them, children will pick these up, because for them 5 cents, 10 cents, 30 cents, whatever the deposit may be on the various containers, it is worth their while to return those.

Mr. Speaker, there are also certain anomalies or inconsistencies, if you will, which exist in the current legislation—and I am referring specifically to The Environmental Act—and I have essentially addressed that by drawing the comparison between the soft drink aluminum cans, as well as the aluminum beer cans.

Mr. Speaker, it should be stressed that this Bill is completely consistent with the environmental concerns expressed to date by the Government so there are no inconsistencies in that regard. Several other provinces have already moved toward implementing comprehensive beverage container recycling legislation. It seems in my opinion that Manitoba lags behind in this area and that we are, as a province as a whole, long overdue for a Bill such as this one which I am proposing.

Although some initial resistance from some quarters can be expected, I think that any potential fears, whether

they are real, alleged, perceived, can be allayed by way of having this Bill go into committee as expediently as possible. I find that, too, that given the fact that these days in the environment, especially recycling, is not only topical with Governments but, indeed, topical with the consumer, the average person on the street. I think it is very, very timely and I know that on this aspect various Governments, indeed various Parties in different Legislatures, have passed similar legislation, similar Bills in a unanimous way, in an unpartisan way, and I would strongly urge Government Members and Members of the third Party, to pass this Bill through second reading to committee stage, and indeed for third reading as soon as possible so that we may have this Bill as law before 1990 rolls around.

With these comments, Mr. Speaker, I would encourage all Members to expediently send this Bill on to committee. Thank you.

Mr. Speaker: Is the House ready for the question? The Honourable Minister of Health.

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I move, seconded by the Minister of Energy and Mines (Mr. Neufeld) that debate be adjourned.

MOTION presented and carried.

BILL NO. 17—THE EMPLOYMENT STANDARDS AMENDMENT ACT

Mr. Speaker: Bill No. 17, The Employment Standard Amendment Act; Loi modifiant la Loi sur les normes d'emploi, standing in the name of the Honourable Member for Thompson (Mr. Ashton). (Stand)

BILL NO. 18—THE OZONE LAYER PROTECTION ACT

Mr. Speaker: Bill No. 18, The Ozone Layer Protection Act; Loi sur la protection de la couche d'ozone, standing in the name of the Honourable Member for The Pas (Mr. Harapiak). (Stand)

BILL NO. 20—THE MUNICIPAL ASSESSMENT AMENDMENT ACT

Mr. Speaker: Bill No. 20, The Municipal Assessment Amendment Act; Loi modifiant la Loi sur l'évaluation municipale, standing in the name of the Honourable Member for Sturgeon Creek (Mrs. Yeo). (Stand)

BILL NO. 24—THE BUSINESS NAMES REGISTRATION AMENDMENT ACT

Mr. Speaker: Bill No. 24, The Business Names Registration Amendment Act; Loi modifiant la Loi sur l'enregistrement des noms commerciaux, standing in the name of the Honourable Member for Elmwood (Mr. Maloway). (Stand)

**BILL NO. 25—THE CORPORATIONS
AMENDMENT ACT**

Mr. Speaker: Bill No. 25, The Corporations Amendment Act; Loi modifiant la Loi sur les corporations, standing in the name of the Honourable Member for Elmwood (Mr. Maloway). (Stand)

**BILL NO. 26—THE REAL
PROPERTY AMENDMENT ACT**

Mr. Jim Maloway (Elmwood) presented Bill No. 26, The Real Property Amendment Act; Loi modifiant la Loi sur les biens réels, for second reading, and be referred to a committee of this House.

MOTION presented.

Mr. Maloway: This Bill is a Bill that I introduced last year under a different number and I—one of the Government Members asked whether I got the message then. I think that this Bill is actually coming on to its own. Last year, we recommended that legal counsel be provided at Land Titles so that people in this province could get assistance in filling out their own land transfers.

* (1740)

At that time, we were faced with two consistent and reactionary views by both of the other Parties in this House. The Attorney General (Mr. McCrae) was still finding his way in the area of populous politics. He has a better handle on it now. Low and behold, the Liberals suggested that I was carrying on a holy war against lawyers, a jihad against lawyers. The Liberals themselves seemed to have done an about face, too. So perhaps things are progressing as they should and perhaps the Liberals have woken up and smelled the coffee as has the Attorney General. Perhaps we are going to see some dramatic improvement and changes in the way, or perhaps a change in the way, the Law Society has dominated the legal profession in this province over the years.

This recent turnabout came about when the Liberals decided to support POINTTS, which is a paralegal service, and the Liberal Justice critic to his credit came out with a press release on July 19, 1989, that bears some further reference. He said that he was hoping that the Filmon Government would act quickly to allow the Provincial Offences Information and Traffic Tickets which is POINTTS to continue providing service to Manitobans under appropriate legislation. Well, this is the same Party that said, my God, no, this cannot be done.

He also said that the issue is now squarely in the Government's court and they are calling on the Justice Minister to bring forward legislation that would legitimize POINTTS and other paralegals, either amendments to the Law Society Act or entirely a new Act.

He is conducting a full fledged war here. He has brought in the heavy artillery on this one. He is suggesting that the Attorney General should

immediately convene meetings of the Law Society and several other associations to ensure that this legislation is produced as quickly as possible and passed. He does not even want to study this to any great extent, he wants to get at it. I applaud him for it. I am not one that wants to spend excessive time studying something that is fairly obvious.

So we see that the Liberals have moved quite quickly actually on this point based on whence they came from last year. But, then again, we had a very latent change of attitude on the part of the Government on this issue as well. The Attorney General just a couple of weeks later, from July 19 to August 17—and August 17 the Attorney General came out and suggested the same thing. So perhaps he saw a good idea. He saw a good idea when it confronted him. What he has suggested is that The Law Society Act be amended to allow POINTTS to operate, but he has also suggested that there he is going to set up a committee to look into the entire area of granting paralegals even more potential.

Well, the Attorney General shakes his head, but it certainly is my impression that he has suggested that a committee be set up to look at other areas where paralegal activity could take place in the area of wills. Well, the Attorney General is still disputing the - (interjection)- but in any event, we on this side of the House applaud the Government for paying attention to this matter and at least announcing that they were going to take quick and decisive action. We of course await the Bill that they bring forward. We would go so far as to suggest that he should err on the side of allowing the paralegal services to develop as quickly as possible and not use this as merely window dressing for an attempted majority election bid and then quickly shut the door after the election is over. I am not suggesting that he is simply dangling a carrot out there in order to look populist and then get around the election and then slam the door shut. I do not think that he would do that.

In any event I hope that he gets the Bill before the House, that we get it debated, we get it passed, and then perhaps we can get him moving on even more exciting reforms of the system.

The Minister of Health (Mr. Orchard) has become a reformer now. Mind you, I suppose he probably could be termed a reformer in the past, but usually a reformer of the extreme right. I would hate to see some of those reforms that he would likely bring in if he did have a majority Government. I mean you have the federal Government right now suggesting privatization of the post office, you had the other sacred trust, Air Canada, being privatized and on, and on, and on. This Government is no different than any other Conservative Government in the country if they had the power, and a former Tory speaks out.

If they had the power, if they had the majority Government that they wish to have, I guarantee you that it would not be long before the entire Autopac would be privatized, the Data Services, they are working on that already. The Minister of Highways (Mr. Albert Driedger) has talked about toll roads. He wants to start tolling the roads until he was reined in by his Premier

(Mr. Filmon). I am sure the Premier took him aside, and said, no Albert, not now. Have you not noticed, we do not have a majority Government? The moment they come back with a majority Government, Albert will be on the loose. We will be seeing toll roads all over the place. That is just the beginning, because the inspiration is coming from the Minister of Health (Mr. Orchard). The Minister of Health is the inspiration, will be the inspiration, behind this right wing agenda, Mr. Speaker.

Now if I might for a moment get back to my original Bill, Mr. Speaker, but just for a moment. We did bring this Bill forward with the best of intentions and we do hope that it would pass. We see this as just part of a whole effort to demystify professional activities in this province, not only with lawyers. It is not just the lawyers that are a big problem, but every profession. The Member for Rossmere (Mr. Neufeld) mentions accountants.

There is that tug of war in all societies between the professionals and the rest of society. The professionals have an interest in making certain that things are as complicated as possible and that the laws are hard to understand and hard to read so that they maintain their monopoly position in society so they can afford to live in Tuxedo and River Heights and enjoy the comforts of the good life. I feel that the more we reduce these roadblocks, demystify laws and make it easier for people to do things on their own, whether it be legal services or accounting services or any other "professional" services, is I think, a step in the right direction.

When we brought in this Bill, we thought, well, this is a very little Bill that perhaps will not get the Law Society too excited, just allowing one or two lawyers to assist at Land Titles Office, not that everybody in Manitoba is going to start going to the Land Titles Office, and leaving their lawyer in the dust. We were not suggesting that. Only a small number of people would do it, but in actual fact the reaction from the Law Society was unbelievable. I mean, the Law Society president was on CBC suggesting that there was a revolution about to take place, I mean, almost suggesting that the War Measures Act should be proclaimed, because the revolution was about to occur—all because of one or two little lawyers, legal services in land titles. So you can imagine the control and the influence the lawyers have in our society. I have said several times that I am very happy to see a Legislature that does not have the representation that past Legislatures had with lawyers.

I can assure you that lawyers in past caucuses have certainly influenced caucuses in one way or another to preserve the system the way it is, and I think it is about time we took a good look, a good look at the professional societies in our society, took a good look at them and looked at ways of at least giving people the option of by-passing them whenever they feel necessary, and not give just a small group of people the power to control a whole industry.

Mr. Speaker, how much time do I have left?

Mr. Speaker: Three minutes.

* (1750)

Mr. Maloway: Well, Mr. Speaker, it is a good sign. I do not know what other Legislatures have in terms of percentages of people who through their occupations are lawyers, but I would suggest to you, and the Member for Lac du Bonnet (Mr. Praznik) may back me up on this, we probably have the fewest lawyers, on a per-capita basis, of any House in the country. We may have. I do not know. The lawyers we have, and I said this last year, are young and perhaps a little bit poor, but perhaps—I have to withdraw that previous remark. It was put in my mouth by the Member for Lac du Bonnet, but what the Member for Lac du Bonnet, who is a lawyer, has suggested is that he is a new lawyer and he has not yet practised, and so in fact the two lawyers that we have in this House -(interjection)- three lawyers in this House?

An Honourable Member: The Member for Seven Oaks and the Member for St. James.

Mr. Maloway: Well, the three lawyers that we have in this House are not your experienced, professional lawyers, who are at the top of their profession. The three lawyers we have are very young, impressionable lawyers, who perhaps will develop differently than their older brethren, and of course have not really had the time to practise. So you cannot really, you can call them lawyers, they are not lawyers in the sense of lawyers who have practised a long time and have become entrenched and cannot be moved.

So we have got some, as we said last year, we had hope for the Attorney General. It faded somewhat, but there is a light on over there. It is not an immensely bright light right now, but it is on, it is on and time will tell how much progress he does make, but I think the mix -(interjection)- that is right, I only hope I am alive long enough to see some of these reforms that we are talking about here.

Anyway, Mr. Speaker, I was hoping to commend this Bill to the House, and hope that we could get it passed this Session.

An Honourable Member: Hear, hear!

Hon. James McCrae (Minister of Justice and Attorney General): I move, seconded by the Minister of Health (Mr. Orchard), that the debate be adjourned.

MOTION presented and carried.

BILL NO. 37—THE MUNICIPAL ASSESSMENT AMENDMENT ACT (2)

Mr. Speaker: Bill No. 37, the Municipal Assessment Amendment Act (2); Loi No 2 modifiant la Loi sur l'évaluation municipale, standing in the name of the Honourable Member for Springfield (Mr. Roch). (Stand

PROPOSED RESOLUTIONS

RES. NO. 7—RURAL POSTAL SERVICE

Mr. Speaker: Is there leave that Resolution No. 7 stand in its place?

Some Honourable Members: No.

Mr. Speaker: No. No leave.

RES. NO. 8—ABORIGINAL ECONOMY

Mr. Speaker: Resolution No. 8, standing in the name of the Honourable Member for Rupertsland (Mr. Harper), The Aboriginal Economy, is there leave that this matter continue to stand in its place?

An Honourable Member: No.

Mr. Speaker: No leave. Okay.

RES. NO. 9—NORTHERN TAX ALLOWANCE

Mr. Speaker: Resolution No. 9, Northern Tax Allowance, standing in the name of the Honourable Member for Thompson (Mr. Ashton). Is there leave that this matter remain standing in its place?

An Honourable Member: No.

Mr. Speaker: No.

RES. NO. 10—RAIL ABANDONMENT

Mr. Speaker: Resolution No. 10, Rail Abandonment, standing in the name of the Honourable Member for the Interlake (Mr. Uruski). Is there leave that this matter remain standing?

An Honourable Member: No.

Mr. Speaker: No.

RES. NO. 11—EARLY RETIREMENT PENSION BENEFITS

Mr. Speaker: Resolution No. 11, Early Retirement Pension Benefits, standing in the name of the Honourable Member for Flin Flon (Mr. Storie). Is there leave that this matter remain standing?

An Honourable Member: No.

Mr. Speaker: No. No leave.

RES. NO. 12—URBANIZATION OF THE CITY OF BRANDON

Mr. Speaker: Resolution No. 12, Urbanization of the City of Brandon, standing in the name of the Honourable Member for Brandon East (Mr. Leonard Evans), the Honourable Member for Brandon East.

Mr. Leonard Evans (Brandon East): Mr. Speaker, could we discuss this matter next day, could we call it six o'clock?

Mr. Speaker: Is it the will of the House to call it six o'clock?

An Honourable Member: No.

Mr. Speaker: No. The Honourable Member for Brandon East.

Mr. Leonard Evans: Mr. Speaker, I would move, seconded by the Member for Elmwood (Mr. Maloway), that

WHEREAS the City of Brandon is a major commercial, educational, health and cultural community and the second largest centre in Manitoba; and

WHEREAS Brandon has major urban redevelopment problems including the downtown area and inner core of the city; and

WHEREAS Brandon has major water and sewage infrastructure requirements, characteristic of an urban centre; and

WHEREAS Brandon has economic and social concerns typical of an urban centre; and

WHEREAS the Department of Urban Affairs deals solely with matters pertaining to the City of Winnipeg; and

WHEREAS the Department of Rural Development is essentially rural oriented since it deals with over 200 municipalities, nearly all of which have small populations and rural-type problems; and

WHEREAS it is appropriate to have an enlarged Department of Urban Affairs to concentrate on urban development problems.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba call upon the Government of Manitoba to transfer responsibility for the City of Brandon from the Department of Rural Development to the Department of Urban Affairs.

MOTION presented.

Mr. Leonard Evans: Mr. Speaker, this is a matter that has been debated quite widely in the community, including the council of the City of Brandon. There are many councillors who are concerned as to whether the City of Brandon is obtaining sufficient attention by this Government with respect to certain critical matters.

Just to name a couple, Mr. Speaker, I would refer to sewer and water infrastructure which needed assistance from the provincial Government and possibly the federal Government as well, and downtown development. It has been my view for some years that the City of Brandon and perhaps other regional cities in this province such as Thompson, Portage la Prairie and Flin Flon may be better served by being under the administrative umbrella, if you will, or it relate to the administrative competence of the Department of Urban

Affairs as opposed to the Department of Rural Development which formerly was called the Department of Municipal Affairs.

I want to make it clear at this point that my suggestion here, and my remarks, by no means are meant to be critical or negative of the Department of Rural Development. It is a very fine department. It has many excellent staff. They have done generally a good job over the years, but that department, Mr. Speaker, deals with 200 municipalities. The bulk of which are very small rural municipalities, villages, small towns, and so on, and they have a particular type of problem that is characteristic of areas that have small populations.

Areas such as Brandon, however, have problems that are more comparable with the City of Winnipeg. The one example that I referred a moment ago, a little earlier ago, namely, the downtown redevelopment problem, the inner core problem in the City of Brandon is a good case in point. The people of Brandon look rather enviously as to what has happened in the City of Winnipeg with the amount of provincial and federal funding that has gone into developing North of Portage, for example, not to talk about The Forks development, which is currently under way, and they wonder, Mr. Speaker, what is happening to their downtown, and where is the assistance available for downtown redevelopment.

Now there used to be a program, Mr. Speaker, called Main Street Manitoba, and that Main Street Manitoba Program, which was brought in by the previous Government, was of considerable assistance to many rural communities, many good towns of this province of ours where, with the co-operation of the local municipality and the businesses involved along the Main Street area, the province was able to provide considerable amount of assistance, both financial and technical, and indeed you can drive around Manitoba and see a fresh look to many of the towns, considerable improvements to many, many towns, and it was a good program.

The City of Brandon did not apply and of course, in many ways, Mr. Speaker, that program was not meant for a city the size of Brandon, it was meant for the Minnedosas, the Virdens, the Hamiotas, the Mordens, the Morris's, the towns 500, 1,000, 1,500, 2,000. It was not meant for a city the size of Brandon with a population of 40,000.

The previous Government had committed to providing funds for a downtown development program. I met with Members of the Downtown Development Committee, we met with the mayor, we met with the councillors and we indicated that this was a priority of the Government. As a matter of fact, if—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. order. The Honourable Member for Brandon East.

* (1800)

Mr. Leonard Evans: —our Government had been elected, downtown Brandon today would be in the throes of a major redevelopment process. As a result, we were not re-elected; as a result, what is there for downtown Brandon?—a big fat goose egg. The Minister of Rural Development (Mr. Penner) told the City of Brandon there is no money whatsoever for downtown redevelopment in Brandon. There was not a nickel, not one red cent. The Minister of Rural Development is quoted in the Brandon Sun, only a few weeks ago, saying: There was no program; this Government has no money to help downtown redevelopment of Brandon. I say, Mr. Speaker, that if this department was related to the Department of Urban Affairs that there would be, at least on the part of the bureaucracy and hopefully on the part of the Minister, some attention paid to the city and its developmental problems.

As a result, Mr. Speaker, being part of the Department of Rural Development, it really is being ignored as far as this particular problem is concerned. The City of Brandon did very well under the previous NDP Government. The Members of the present Government do not realize all the great things that happened, and so they stand there and make inane comments that they do not really know what they are talking about.

Mr. Speaker: Order, please. Order. The hour being 6 p.m., when this matter is again before the House, the Honourable Member will have nine minutes remaining.

The hour being six o'clock, this House is now adjourned and stands adjourned until 10 a.m. tomorrow (Friday).