



Second Session — Thirty-Second Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

31-32 Elizabeth II

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

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ASHTON, Steve	Thompson	NDP
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LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 4 April, 1983.

Time — 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - LABOUR

MR. CHAIRMAN, C. Santos: Committee please come to order. This section of the Committee of Supply will be dealing with the Estimates of the Department of Labour and Employment Services. We shall begin with an opening statement from the Honourable Minister of Labour.

HON. M. DOLIN: Mr. Chairperson and fellow members, I'm pleased to present to you the Department of Labour and Employment Services spending Estimates for 1983-84.

As you are no doubt aware, the department has recently undergone a name change. "Employment Services" has been included in our title because it more appropriately represents the community environment in which we operate, and it more adequately describes our services to the public. This is very important, as we are the co-ordinating department for this government's job creation thrust in 1983-84.

Some other structural changes have also taken place over the past year, resulting in the Research and Planning Branch now reporting to the Deputy Minister, along with the previously established four divisions. The four divisions are: Administration, Labour, Industrial Labour Relations, and Employment Services. That was the section that was formerly entitled the Manpower Division. The Womens' Bureau continues to report directly to me. A reorganization has taken place within the Employment Services Division as well, which reflects the new emphasis, both on the development of employment opportunities, and on readily available career advice for Manitobans facing a changing future. The changes have resulted in five branches as opposed to the previous six within the division.

The major change involves the amalgamation of the New Careers Branch together with Career Resources Centres Branch, Employment Support and Counseling Services and our Southern Regional Services, to form a new branch called Employment Training and Regional Services. This branch combines both our Northern and Southern Regional Services to provide an improved and consistent training and employment service to rural Manitoba. Other changes resulting from the reorganization are minimal in nature, and will be discussed in the brief introduction to each of the branches in that area.

Unemployment has increased significantly in Manitoba since the national economic recession began in about mid-1981. A monthly average of about 42,000 Manitobans were out of work during 1982, and the province's unemployment rate averaged 8.5 percent. In many important aspects, however, Manitoba's economy and the labour market here have fared considerably better than in most other provinces. The

most recent estimates from the Conference Board of Canada indicate that Manitoba experienced a 3.3 percent decline in real domestic product last year, tied with Saskatchewan for the second best provincial performance.

The number of workers employed in Manitoba fell by 1.1 percent in 1982, compared with a national decline of 3.3 percent. This was the second best performance in the country. Manitoba also maintained the third lowest rate of unemployment of all provinces. That was in 1982; as you know, it is second now.

In 1982, Manitoba recorded its first net gain through inter-provincial migration from data since 1961, with over 1,500 more people coming into Manitoba from other provinces than leaving for other provinces. As a result, Manitoba's working age population grew by 1.2 percent in 1982, well above increases in recent years. The province's labour force grew by 1.4 percent, compared with a national increase of only 0.4 percent last year.

In addition, there were only 10 work stoppages in Manitoba during 1982 involving 600 workers and accounting for only 16,181 lost working days, the fewest working days lost in the province since prior to 1970. At only 32 days lost per thousand non-agricultural workers during the first 11 months of 1982, Manitoba had the best work stoppage record of any province.

Manitoba also experienced lower inflation than other provinces. Winnipeg's consumer price index rose by 8.8 percent in 1982, the smallest CPI increase of all cities surveyed and well below the national increase last year of 10.8 percent.

A number of changes to existing legislation are being contemplated for the Session. Pension reform has long been a commitment of this government and we are currently conducting public hearings in order to obtain input into the various improvements to the Act which are under consideration. In addition, amendments to The Payment of Wages Act are planned which will enhance the priority given to claims for unpaid wages. The primary responsibility of this department over the coming year is to combat and to bring the devastatingly high unemployment levels that Manitobans are now experiencing to within reasonable levels.

As the co-ordinating department for our government's \$200-million Jobs Fund, we intend to deploy these resources with the utmost effectiveness toward the creation and preservation of employment within the province. Our efforts will be targeted to those sectors of the economy and the population that has been most severely affected by unemployment and we will, wherever possible, make use of matching funds from other levels of government to ensure both an adequate and secure income for Manitobans.

In the coming year, we intend to undertake a review of our labour legislation with consideration being given to rewriting the existing legislation into a comprehensive code, improving the certification process, increasing worker protection against layoff or unjust dismissal and the possible negative side effects of technological change, and the promotion of equality in the workplace.

We have also initiated a planning process to improve our policy development in management processes. While this need is almost universally recognized as a high priority, governments have been quite slow to commit themselves to action. I'm very pleased to announce that my department has made such a commitment. In the next fiscal year an important start will be made to longer-term planning. I consider that this effort will be instrumental in helping us to assess future needs, to develop more effective services and to enable our organization to adapt to technological and other changes that will be inevitable in the years ahead.

In order to accomplish our goals during 1983-84, my department is requesting 735 staff years which is the same level as last year. Although our printed Estimates are shown as \$17,635,000, our actual budget is \$24,137,300.00. This has occurred as a result of funding for programs we deliver being included in other appropriations that are held outside of our department. The \$24.1 million figure includes about \$3.5 million in programming that we administer under the Northern Development Agreement, 80 percent of which is budgeted for the Department of Northern Affairs Estimates and 20 percent of which is held in an enabling appropriation controlled by the Department of Finance.

In addition, \$3 million of our ongoing job creation initiatives have been transferred into a Central Fund also controlled by the Department of Finance. These figures represent a 17.8 percent increase in comparable funding over last year's printed Estimates.

Mr. Chairperson, I have provided you with a brief overview of the policy direction that the Department of Labour and Employment Services will be pursuing in 1983-84. I am confident that members present will have many questions relating to the budget detail of each branch and I would request that these specific questions be raised by sub-appropriation as we proceed through our printed Estimates.

Mr. Chairperson, I refer the Department of Labour and Employment Services, 1983-84 Spending Estimates to a committee for review and passage.

MR. CHAIRMAN: We shall now hear the customary reply from the leading opposition critic.

The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, I wonder if, before I begin, the Minister could provide me with a copy of her opening remarks. It might be helpful as we proceed through the individual areas, where she has made comment.

HON. M. DOLIN: I would imagine that could be done.

MR. G. MERCIER: Mr. Chairman, the Minister has referred to the position of Manitoba relative to other provincial economies and national influences. We should remember, at the same time, that the NDP Party in the election of 1981, promised security from job layoffs. They promised a bright economic future for workers in Manitoba, and during the past 17 or 18 months, while they've been in office, the number of unemployed in Manitoba has grown by almost 30,000 according to the official statistics. While we were in government,

during that four-year period, over 30,000 jobs were created in Manitoba, and most of those in the private sector.

We have seen, and I only refer to some of them, Mr. Chairman, during the past few months, layoffs at Shell, Kimberly-Clark, Motor Coach, Versatile, Schneider's, Canada Cement and the list goes on and on. However Mr. Chairman, the Minister might gloss over the statistics and attempt to justify them, we're talking about individual cases of tragedy for every family and person that is involved in this tragic increase in unemployment statistics in Manitoba.

I must say that I'm disappointed in the Minister's action. I refer to a couple of incidents that have taken place lately with respect to Motor Coach Industries. I asked her in the House a week or so ago what action she had taken when she had received notice of those layoffs on February 15. She indicated she had taken no action. She said the employer had filed the usual notice according to the legislative requirements. Mr. Chairman, a clerk can do that, but a Minister is supposed to be doing something about this particular problem.

I asked her today in the House, Mr. Chairman, about the committee that had been established with respect to the layoffs at Kimberly-Clark and those layoffs were announced a number of months ago and became effective at the end of last week I believe. I asked her how many jobs had been found for those workers through that committee and she had no answer, Mr. Chairman.

Mr. Chairman, I believe that the Labour Minister has to look very closely at the reasons for each of these layoffs and plant closings in Manitoba and she has to take a very active role in investigating, in reporting to, in recommending, courses of action to the NDP Government. Mr. Chairman, we know, and I hope she will recognize this, that while job-creation projects are important when you have a crisis of unemployment, to at least provide some short-term, temporary jobs for workers, the future employment opportunities in Manitoba and anywhere else, lie in the private sector, and we're talking about private sector closings and plant shutdowns and she should be looking at the reasons why those are taking place, because I suspect, Mr. Chairman, that the economic policies and taxation policies of this government have a large role to play in what is happening - a payroll tax; an employment tax; increases in taxation that have taken place; an economic climate described by the Chairman of the Winnipeg Chamber of Commerce a few weeks ago, as an anti-private sector attitude, is not one, Mr. Chairman, that is going to allow for employment investment in Manitoba and employment opportunities for our workers in Manitoba.

It is, Mr. Chairman, a crisis among, not only middle-aged and older workers, but particularly for young people, with the statistics approaching the 20-25 percent unemployment rates in Manitoba. Young people are unable to find a job and prospects look very poor. That is a real crisis, Mr. Chairman. One of the difficulties that we have in Manitoba is that the people that you would expect to speak out on behalf of the unemployed, are mute, Mr. Chairman; they're silent. The leadership of organized labour is not made public in Manitoba with astronomical unemployment rates and why is that,

Mr. Chairman? Shortly after the election in 1981, the Canadian Labour Congress published in their January, 1982 Edition, "Manitoba victory, how sweet it is, building a better Manitoba."

Mr. Chairman, they described the on-the-job canvass that organized unions and leadership undertook in Manitoba and the fact that they had canvassed 31,000 workers and they had people working in every riding in Manitoba. Mr. Martin, of the Manitoba Federation of Labour said, "We must let our members know exactly what is happening to Manitoba's economy and that the Tories have to go." Mr. Chairman, if what is happening now, if it happened while we were in government, we would have pickets around this building, we would have near riots in the street organized by the leadership of organized labour in Manitoba; but they tied themselves in so closely with the NDP that they now remain mute and silent and do not speak out on behalf of the unemployed of Manitoba, and about the policies of this government that are leading to increased unemployment and lack of employment opportunities in Manitoba.

Mr. Chairman, it is unfortunate for the unemployed that they have been betrayed by their leadership in the way they have. We intend, Mr. Chairman, to concentrate on this issue because it is the most important issue facing Manitobans. Unless people have jobs we cannot have the kind of democratic society that we all wish and cherish for. It is the most important issue in Manitoba; it is the most important responsibility of this Minister, as the Minister of Labour, to ensure that the policies of this government are directed toward creating employment opportunities in Manitoba. Mr. Chairman, we will, throughout these Estimates, attempt to do what we can to encourage the Minister to take what we think are appropriate policy positions and action on this particular issue.

MR. CHAIRMAN: At this point in time the Chair wishes to invite the members of the administrative staff of the Department of Manpower and Employment Services.

We are now starting with Item 1.(b)(1), postponing the Minister's Salary which is Item 1.(a)(1).

The Minister of Finance.

HON. V. SCHROEDER: Thank you very much, Mr. Chairman. I'd like to congratulate the Minister on her introduction of her Estimates. I've had a chance to review them earlier, I think they're very good. I'd like to make just a few comments with respect to the remarks we've just heard.

Basically the opposition labour critic takes the position that unemployment is the serious problem in this province, and we concur; that has to be the major No. 1 issue in this country. I would hope that at some point the opposition would recognize that what this government has been doing has been precisely ensuring that we don't slip as hard as some other areas of this country have. Now, the Minister of Labour has given us some statistics with respect to our relative position with respect to other provinces. I think that's instructive because we do not live in a vacuum, we are a part of Canada, we're a part of North America, we're a part of the Western World and we believe that we can do something to ameliorate the harshness of the general

economic climate out there. The statistics provided by the Minister of Labour demonstrate clearly that we have, to the extent of our jurisdiction, succeeded. We have, in the last year had the largest population increase, for instance, that we've had since certainly before the Schreyer Government. We have done quite well, as I indicated before, in terms of retaining jobs at a time when jobs were going all across Canada. It is true that we have had to introduce some taxation measures, but it also true that we have, during this first period of time in office, been prepared to look at deficit financing, in order that we can underpin the economy during this time of economic crisis.

Economists tell us that for every \$100 million that we don't spend, we would lose 5,000 jobs directly. The opposition, in the last few weeks - I've had some opportunity to read, somebody is putting together a piece of material, I guess I don't have it here; here it is - "Tory Tirades." It really makes interesting reading. These are the weekly reports of P.C. MLAs to their constituents where they constantly rail against our deficits.

The Member for St. Norbert referred to taxation, it's all a part of that. What they would say, presuming that they would argue for a balanced Budget, which they don't want to say - they just say we're spending too much - what they would like to see, obviously though, is a balanced Budget. That would mean for 1982-83, 25,000 less jobs in this province directly, plus the indirect effects of that kind of a decision. I haven't figured out the numbers, but I would imagine that would put us fairly close to the national average job loss for last year. Maybe it would put us above that. We didn't think that it was practical in humane terms. We were not prepared to do it. I'm sure the Tories might be prepared to do it. We've seen them do some pretty strange things.

At the same time that they talk about — (Interjection) — I am responding to some statements that you made. — (Interjection) — I'm sorry.

MR. CHAIRMAN: May I remind all the members of the committee that we are discussing the item on Administration.

HON. V. SCHROEDER: Yes, Mr. Chairman, I'm pretty well completed my response to the comments of the Member for St. Norbert. He is this one time talking about jobs, pretending to be concerned about jobs, and on the other hand, he's talking about — (Interjection) —

MR. G. MERCIER: I'm prepared to sit here and listen to the Minister of Finance as long as he wants to talk, but to suggest that I am pretending to be concerned about unemployment is another thing, Mr. Chairman. I would ask him as a gentleman to withdraw that remark.

MR. CHAIRMAN: There should be no imputation of motive, I don't think.

HON. V. SCHROEDER: No, Mr. Chairman.

Mr. Chairman, when I look at the — (Interjection) — I'm sure the member is concerned about employment. I really wish that he would understand what the implications are of what he says. Because if he did, he

would recognize that if we spent \$500 million less in the last year, we would have more than 25,000 people unemployed than we have right now.

If we were to have a balanced Budget for next year, and that's direct, because what we're talking about here is — (Interjection) — Well, Mr. Chairman, I see the Member for Tuxedo has arrived. I would like him to explain why it is that we have one of the lowest rates of job losses in this country in the last year, as compared to other provinces then who didn't bring that tax in. I would like to see him explain then why it is that Manitoba had amongst the lowest, if not the very lowest, inflation rate in the country in the last year, although we brought that particular tax into being. I would like him to tell us whether it would be the hospital tax that they would want to implement, as they have in Tory Alberta, the richest province in the country; probably one of the richest areas in North America.

You know, Mr. Chairman, all I'm asking is for them to get their act together. If they don't want the deficit, then they should tell us where we should cut back. If they want more spending, as they say they do when we talk about highways, and when we talk about drainage, and when we talk about certain other areas, then fine, but let them be consistent. They can't have it all three ways. That's what they're trying to do.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. B. RANSOM: Mr. Chairman, thank you. I find some of the comments coming from the Minister of Finance to be demonstrating somewhat of a sensitivity on the part of the Minister of Finance, as somewhat of a reluctance to let the Minister of Labour handle her own Estimates. It perhaps speaks more than the general protestations of concern on the part of the Minister of Finance.

Mr. Chairman, what we have here is a situation where the Minister of Finance is trying to say in quite a few words that the opposition can't have it both ways; that we can't be concerned about government spending and concerned about unemployment at the same time. What we have here is a situation. We have a government that was elected upon what one can only assume were sincere convictions and promises made in the election of 1981. What that party said was that they could turn the economy around. They could guarantee that no person would lose their home; no person would lose their farm; no person would lose their business as a consequence of high interest rates; that they would fund those promises on the basis of the development of ManOil and through Manitoba Hydro.

There was nothing there, Mr. Chairman, about raising taxes to do that. They had to plan how they could do these things and finance it in that way. The Minister of Economic Development said that it would not be necessary to raise taxes; that the investments that this government would make would be able to fund the expanded services that the government was going to implement. Now, that either demonstrated an extreme naivete on the part of this party, or they are proving themselves to be incompetent to implement the plan and strategy which they had in mind.

We are simply talking about the promises which the government made when they were still in opposition.

I recall that they regarded deficits that our government had has being close to unmanageable. We didn't hear talk about the unemployment that would be created by those deficits. They were unmanageable, Mr. Chairman.

We hear the Minister making much about the fact that Manitoba in 1982 had a growth rate that was only minus 3.3 percent, as though there should be something to be proud about; that the province had a minus 3.3 percent growth rate. Indeed, it was the second — (Interjection) — lowest in the country, but it was down from a plus 3.8; I believe, in 1981.

I warned the members previously, they should not put too much faith in a figure like that because they will see now that by the Conference Board Projections for 1983, Manitoba is projected to slip from second place to seventh place, to a tie for seventh place, I believe, in economic performance. That should cause the Minister of Labour some concern. Because if this province has seen the loss of approximately 30,000 jobs, while this province was performing second-best of all those in the country, she should have deep concern for what is likely to happen when we're performing seventh.

I know that the members have made much of interprovincial migration and the gains that the province has had. Well, that may be, but that needs to be examined in the fuller extent of all the facts that bear upon what flows from increased numbers of people; such as increasing welfare costs in the province. We can deal with that in the Minister's Estimates if she wishes to, or we can deal with it in Community Services. Since I believe, she brought up the question of interprovincial migration, it bears upon it.

The question of Consumer Price Index has been referred to by the Minister of Labour and referred to by the Minister of Finance, saying that Winnipeg had experienced the lowest increase in Consumer Price Index in 1982, I believe the Minister said. Well, perhaps she will tell the committee what her view is about the fact that February to February, from '82 to '83, the Consumer Price Index in Winnipeg, of 15 major cities, there are now 10 over that year that had lower Consumer Price Indexes. There were, I believe, two that were tied with the Province of Manitoba, and two that were higher.

There seems to be a shift from being in the best position, to going substantially down the ladder. Some of the reasons have to do with the taxes that this government has imposed. That was prior, those figures, of course, do not reflect the most recent Budget which the Minister of Finance has brought in.

The Minister of Finance has made much over the past year about the position of Winnipeg as a place to do business. Indeed, it has been a good place to do business in terms of the costs involved and the availability of trained labour force, and so forth, but the trends now seem to be changing and I would want to know whether the Minister of Labour is concerned about these shifts that seem to be taking place in the statistics. Is she concerned that Winnipeg and Manitoba may be losing their competitive position and what impact is that going to have upon the employment situation in the province?

We will, no doubt, be returning to some of these questions further on, Mr. Chairman, but perhaps the

Minister of Labour would at least like to respond to some of those general concerns that I have.

HON. M. DOLIN: I just want to know if it's appropriate to reply.

MR. CHAIRMAN: Does the Minister wish to make a reply?

HON. H. DOLIN: Mr. Chairman, I can certainly reply to all of those general considerations but perhaps as we go along, this being my first time in Estimates, I will have to ask for your guidance. I'm not sure that questions of a general nature on the economy of Manitoba are appropriate to be discussed under the administration of the department or whether there's another area in these Estimates where they should be discussed.

MR. CHAIRMAN: Under Rule 64, Paragraph 2, all speeches must be strictly relevant to the item or clause under discussion. General problems like that can be discussed under the Minister's Salary which is the last item we shall take.

MR. G. MERCIER: Mr. Chairman, on a point of order, we are under General Administration and I refer you to the description on Page 97 of the Estimates, provides direction, control and co-ordination of departmental policies and programs and support services, etc., research, labour relations, trends, assist with the development of planning of management systems. So the kind of general discussion that is taking place is appropriate under this section and I would suggest it's not only relevant but the Minister may as well deal with it now and get it over with.

HON. V. SCHROEDER: Mr. Chairman, you read the Rule to the Committee, if the members want to deal with departmental policies and programs - the Department of Labour not of the government in general - if they want to deal with personnel management of that department, with the development of planning and management systems, that's fair ball.

MR. CHAIRMAN: The task of the Chair is to facilitate the proceedings of this committee and we can do that if we stick closely to the relevance on the particular topical item under discussion.

The Member for Tuxedo.

MR. G. FILMON: I am quite prepared to go on but I'm not likely to get any more satisfaction from the Minister than the previous speakers did, because I believe that their comments and questions were provoked by the Minister's opening statement. Unless she's prepared to respond to those comments and questions that came directly from her opening statement, it's fruitless to go any further. I have other questions and comments that were provoked by her opening statements so unless she's prepared to answer those responses and questions, then I don't see any point in going on.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. B. RANSOM: I'm prepared to let the Minister respond if she wishes, first.

HON. M. DOLIN: I was just going to say that, I think, the open discussion of general policies thrusts for the government, if you wish to discuss that in these Estimates, is under the Minister's Salary. That has been my impression and that we are going through departmental Estimates at this point and the department under discussion is Administration.

MR. B. RAMSON: Then I'd ask the Minister specifically, where within our Estimates will we have the opportunity to talk about Conference Board statistics. The Member for Dauphin, the Minister of Government Services, thinks that reviewing Estimates is just shooting the breeze. Mr. Chairman, we happen to be concerned about these issues and we want to know, then, where the Minister is prepared to discuss the state of the economy as described by Conference Board statistics, for instance, because she used those statistics in her description. Where can we talk about the implications of changes in consumer price index? Where can we talk about what the Minister regards as reasonable levels of employment, or unreasonable levels of employment? Can she give us some specific indication of where we can ask these questions and where we can get some answers?

HON. M. DOLIN: Mr. Chairman, I think the appropriate place to ask and answer those questions is under 1.(d) which would be Research and Planning. That's the department that deals with statistics from the Conference Board or from Stats-Can and so on.

MR. CHAIRMAN: The Minister of Natural Resources.

HON. A. MACKLING: Mr. Chairman, I think the Minister is being very helpful to members of the opposition. I perceive the role of the opposition in this process to respond to the general opening statement of the Minister and then to proceed item-by-item and deal with the items which they perceive to be relevant to their chain of thought or their questioning. It's not incumbent on the Minister to let them know where and when they should indicate concerns; that's for the opposition to determine. The area where there can be wide general discussion about matters throughout the department is obviously on the Minister's Salary. The practice has been established that there is one opening statement by the Minister and one reply by the leading critic of the opposition and then you get on with the individual items. It's incumbent upon the members of the opposition to have the knowledge of the department or at least to attempt, as each item comes up, to find the areas that they consider ought to be criticized. It's not an obligation on the part of government to lead them into the process.

MR. B. RANSOM: Mr. Chairman, the Minister of Natural Resources perceives what the role of the opposition is in having one response to the Minister's statement; I wonder what he perceives is the role of the Minister of Finance then in making his general response to the statement that the Minister made and to the comments made by my colleague the Member for St. Norbert.

Mr. Chairman, we seem to do best in making progress through the Estimates where there is an exchange and a dialogue between the Minister responsible for the department and for the opposition members who have an interest in it. We seem to do the least well where we have other members on the government side wanting to get into the fray and tell the Minister how he or she should manage the handling of their Estimates. The Minister of Natural Resources is probably least well qualified to give advice to the Minister of Labour on how to deal with her Estimates. She's been asked a couple of simple questions; we want to co-operate with her in dealing with it and we're prepared to do that.

MR. CHAIRMAN: Shall we go on with the business of the Committee? The item under discussion is 1.(b)(1), it's about Administration: Salaries.

HON. M. DOLIN: I'd like to make just a brief opening remark about this department, as soon as members are ready to listen. That's the teacher coming out.

Administration is responsible for the planning, development and co-ordination in the overall management of the department. It's also responsible for the provision of administrative services, including the financial and personnel management function, as well as the funding for the Advisory Council on the Status of Women, the Labour Management Review Committee, and a few grants to outside organizations.

In the adjusted vote for '82-83, there were 52 staff years and for '83-84, we are requesting 50.16 staff years, the reduction being a vacant administrative officer position and 36 weeks of term time which are no longer needed.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, could the Minister outline the grants made by the department?

HON. M. DOLIN: The grants made by the department are to the Manitoba Labour Education Centre, to the Community Unemployed Counselling Centre; an increase of \$50,000 in the funding for the Manitoba Labour Education Centre and an additional \$50,000 grant to the Community Unemployed Counselling Centre or Help Centre.

MR. CHAIRMAN: The Member for Tuxedo.

MR. G. FILMON: I wonder if the Minister would indicate, is that grant to the Labour Education Centre a total of \$50,000 for this year, or did she say an increase of \$50,000.00?

HON. M. DOLIN: An increase of \$50,000.00.

MR. G. FILMON: Bringing it to what total?

HON. M. DOLIN: \$100,000.00. I'm sorry, \$150,000.00.

MR. G. FILMON: \$150,000.00.

HON. M. DOLIN: The original amount in '82-83 was \$100,000.00. It's been increased by \$50,000.00.

MR. G. FILMON: What is the purpose of this Centre and what do they perform on behalf of the government?

HON. M. DOLIN: As the member may recall, the Manitoba Labour Education Centre has been around for quite a while. It was incorporated in 1977. It administers - it established originally - and maintains a program of labour studies. Some of the work that they do is done in co-operation with the universities, some of it is independent. They help both unionized and non-unionized workers. All workers in Manitoba acquire knowledge and understanding of the role of working people in society, people in the workplace, and so on. I don't know if the member wishes me to expand anymore on this; I could go on for some time, but perhaps it would be better to just respond to his questions.

MR. G. FILMON: Does the Minister have previous figures as to what was given to this particular organization in the past; \$100,000 was last year. Does the Minister have the figure prior to that?

HON. M. DOLIN: Previous to '82-83? My understanding is that last year was the first time that any provincial funding was given.

MR. G. FILMON: Could the Minister indicate why there would be a 50 percent increase this year in that grant?

HON. M. DOLIN: The request for funding, of course, is related to the budget of the Labour Education Centre, as is true with any request for funding. Our agreement to fund, and what we have in the Estimates, doesn't match that budget; it is as much as we felt we could appropriate this year or estimate for the Labour Education Centre. We feel the work they do is very important and we wish to be supportive of it. If you want total budget figures, I believe that we have their estimated budget as well.

MR. G. FILMON: It's related to their budget estimates. Does that imply that their budget has gone up 50 percent this year over last year?

HON. M. DOLIN: The \$100,000 given last year was a start-up grant. Obviously, the increase of only \$50,000 more this year does not cover the expenses of running such an operation.

MR. G. FILMON: So it was a new organization, although the Minister said that it dates back to 1977, but last year's was a start-up grant; to start up what, start up 1982.

HON. M. DOLIN: There had been some Labour Canada grants given to this organization between 1977 and 1982. They had been operating on those, keeping the organization going. The first provincial funding was last year, a start-up grant for regular ongoing operations of the organization.

MR. G. FILMON: Does that imply that the Federal Government reduced or withdrew their funding?

HON. M. DOLIN: We're not aware that that's true.

MR. G. FILMON: Why would the Provincial Government decide to get involved when the Federal Government had been funding it previously without provincial funding?

HON. M. DOLIN: Perhaps that's explainable when I tell you that the Labour Canada grant was \$12,600 in the most recent instance. You don't understand the relationship there?

MR. G. FILMON: I don't understand how that would justify the Provincial Government getting involved.

HON. M. DOLIN: It's a provincial organization which we felt worthy of support. Obviously, we did because we gave them the start-up grant to begin full operations last year. The amount that they were receiving from the Federal Government was not nearly enough to launch any kind of comprehensive or even long-term successful program. In order to support this provincial organization - it's not federal, by the way, it's provincial - we felt that a start-up grant was appropriate last year and that an increase of 50 percent to that grant was appropriate this year.

MR. G. FILMON: What services does it provide on behalf of the Provincial Government for Manitobans?

HON. M. DOLIN: I will outline again some of the activities of the organization. I said earlier that the Centre assists workers, whether they are union or non-union workers, to acquire comprehensive knowledge and understanding of the role of working people in society, as well as the goals, policies and responsibilities of the labour movement. Joint educational programs with universities, community colleges, the public school system, and so on, are already under way or under active discussion. There will also be a labour resource centre established, and there is a sponsoring capability for conferences, workshops, and seminars to enhance public knowledge concerning the role of working people.

MR. G. FILMON: It is, in effect, an educational centre to spread propaganda for unions; is that in summary?

HON. M. DOLIN: No, Mr. Chairman, that certainly is not in summary. I said, of workers, both unionized and non-unionized. Most people, at some point in their lives, are workers. Very little is done to educate them about their roles in society during all of those years that they are workers. I certainly view myself as a worker. I assume most of my colleagues and all members present and staff present, consider themselves workers. Very little is done in the educational system to ever talk to people about their roles as workers. That is the purpose of the Labour Education Centre. It does not do anything on behalf of the government. It's a separate organization but fulfilling a very important need.

MR. G. FILMON: It seems to me, Mr. Chairman, that everyone's role as a worker differs depending on the type of work they do. What specifically then can this organization tell people about their role that they don't get from the performance of their role?

HON. M. DOLIN: If the member is referring to a performance evaluation . . .

MR. G. FILMON: Role evaluation.

HON. M. DOLIN: Performance evaluation, I think was the set of words that he used. That is quite different from the role of a worker in society.

MR. G. FILMON: Mr. Chairman, going on to the second grant, the Community Unemployment Counselling Centre, the \$50,000, I believe that the Minister indicated, is this the same organization to which a grant was given by the Department of Consumer and Corporate Affairs under the title of Community Credit Counselling Service?

HON. M. DOLIN: No.

MR. G. FILMON: Who are the people involved with this organization and what is their function on behalf of the government and the people of Manitoba?

HON. M. DOLIN: This group is basically an advocate group. It assists Manitobans who have either exhausted or been disqualified or whatever from their Unemployment Insurance Benefits. It assists them to receive these benefits to become reinstated if possible, to cut through the red tape that is often present when a person is suddenly unemployed and doesn't know where to go or to whom to turn to get the benefits which are their right.

MR. G. FILMON: How many people are involved in the organization?

HON. M. DOLIN: Is the member talking about the board, or the recipients of the information, or clients, or what?

MR. G. FILMON: How many people are on the board? Who are they? How many people are on staff and where are they located?

HON. M. DOLIN: The staff consists of a director, two advocate workers, one outreach worker and an administrative assistant.

MR. G. FILMON: I asked about the board and who they were.

HON. M. DOLIN: This being an independent board, not a government group, I don't have the names of the members of the board. I am not sure that is relevant.

MR. G. FILMON: Could the Minister obtain that information during the course of her Estimates and provide them for us before we are through?

HON. M. DOLIN: Certainly.

MR. G. FILMON: Where are they located?

HON. M. DOLIN: The office is located in Winnipeg, I believe on Main Street or nearby. Oh, they have recently moved. I can get the new address for you if you wish.

MR. G. FILMON: They are in no way involved with the Community Income Tax Service and the Community Credit Counselling Service?

HON. M. DOLIN: No, I believe not. I have in various other roles heard submissions from both of these groups. They were two different groups.

MR. G. FILMON: Is the group brand new? That is, have they ever done any work before?

HON. M. DOLIN: My information is that the group began in about 1979. I have the information on them. They were funded or have been funded in the past by Canada Manpower and Immigration, by various private groups who felt that the work they were doing was very worthwhile. Basically, what they are doing is getting for Manitobans and bringing back into Manitoba, money that would otherwise not be brought back in because the people are unable on their own to, as I say, cut through the bureaucracy and the red tape necessary sometimes to either get reinstated or to follow up on unemployment insurance claims that are due them.

MR. G. FILMON: What other sources of funding does the organization have?

HON. M. DOLIN: I am not sure whether they are getting any money from the Federal Government at this point. Last year, I believe, was their first year as the United Way organization as well and they, I believe, intend to apply to the United Way again or be a part of that, be recipients of monies from that group as well this year. So, basically, it is the United Way and the Provincial Government.

MR. G. FILMON: How does the Minister justify having taken over the Federal Government's responsibility in this organization as well now?

HON. M. DOLIN: I think there are two things at work here, that certainly members ought to be aware of. One is that the Federal Government seems to have a practice of starting up or funding organizations, then on a declining base funding them for about three years and then dropping them. The other thing is that this is an advocacy against a program of the Federal Government. They are obviously not going to support it the way that we feel it should be supported. They would be less likely to support it in the way that we think it should be supported.

MR. G. FILMON: Does the Minister, then, similarly consider that the workers' advocates are advocates against a program of the Provincial Government and the Workers Compensation field?

HON. M. DOLIN: That certainly is not my portfolio, Mr. Chairman, but I certainly don't believe that. My inclination is, though, that the Federal Government, through its seeming policy of giving start-up funding, and then trailing off to nothing over about three years, in every instance. If you look at the various programs, after about three years the funding is down to almost nothing.

They would probably be less likely to be convinced to reinstate full funding, as they had the first year around, or whatever, in a program that was seeking to, if you will, deplete funds from Unemployment

Insurance. I would think that you have to take that up with federal members to be sure if there was any reason such as that behind it, but I really do feel that three years is about maximum for federal funding for organizations such as this.

MR. G. FILMON: If the relationship, as the Minister has described it, as I understand it, it's similar to the Workers' Advocates to the Workers' Compensation Board and these are people who this government has set up on behalf of workers. Does that mean, then, that they are working against the system of Workers' Compensation, and therefore, this Provincial Government should drop them, so that they no longer work against the Workers' Compensation Board?

HON. M. DOLIN: First, I would remind the member that this government and the Federal Government are two different governments.

MR. G. FILMON: Sure, it's hard to tell sometimes.

HON. M. DOLIN: Secondly, the worker advisors are something that has been set up by this government. The organization that I felt we were considering at this point is an independent organization; it is not a branch or an arm or something set up by the Federal Government, nor set up by our government. We believe in what they are doing, however, on behalf of Manitobans.

MR. G. FILMON: I'm just trying to make the point, Mr. Chairman, that in both instances of these grants they appear to be situations in which the Federal Government, through initial funding, has set up the organization, and then bowed out and the province has moved in and taken over the lion's share of the funding responsibility for these organizations. I just wonder who's working on behalf of the Manitoba taxpayers when these decisions are being made by this Minister.

MR. CHAIRMAN: 1.(b)(1)—pass?
The Member for Pembina.

MR. D. ORCHARD: I'd like to ask the Minister a couple of questions on the Labour College funding of \$150,000.00. I believe the term "Labour College" is correct.

Does this organization report to the Minister on their year's activities?

HON. M. DOLIN: Yes, they submit a report of their activities in a budget.

MR. D. ORCHARD: Mr. Chairman, would the Minister table for the Legislature the report that she received from this group on their past year's activities?

HON. M. DOLIN: Their fiscal year coincides with ours, so the fiscal year is ended March 31st. My understanding is that their statement is being audited at this time. It is due to us within about two months. I'd be happy to table it at that time.

MR. D. ORCHARD: Well, the statement would be of interest. Also of interest would be the report to the

Minister on their year's activities; will that be made available, as well?

HON. M. DOLIN: I believe that's the same thing, the financial statement and the report of activities would come in together.

MR. D. ORCHARD: Then, I take it the Minister will give members of the Legislature copies if they're combined, both of them in the one report, or if they're separate, of both reports.

Does this organization publish any literature for distribution?

HON. M. DOLIN: To my knowledge, they have not published anything other than what may be a workshop or course information, but not actually published anything. Whether or not they will in the future, I think you'd have to talk to them about that.

MR. D. ORCHARD: Well, if they don't publish any literature, and their role is indeed nebulous, it would leave all Manitoba taxpayers with a feeling of a \$150,000 void. I suppose, vis-a-vis the information that my colleague, the MLA for St. Norbert, read from in his responding comments to the Minister's opening statement, that it would become more and more evident that this \$100,000 last year, and the \$150,000 this year, is in no small way a payoff to the organized labour of the province for their help in the last election campaign.

It's interesting to note, Mr. Chairman, that this group deserves a 50 percent increase in funding at a time when this government claims they are repriorizing all their expenditures which involves, for instance, in the Minister of Agriculture's Estimates, the reduction of funding to 4H, and a number of other, I think, worthwhile funding activities to most Manitobans. It's interesting that the Minister has saw fit to wrestle an additional \$50,000 out of her Budget this year to fund this group who published no literature; who the Minister has difficulty explaining just exactly what their role is; who they help; what they do.

It's one of those anomalies that we've come to appreciate from the government. We will look forward to seeing the Annual Report Financial Statement and the report to the Minister of the past year's activities of this Labour College, or whatever the official terminology is, and to see what \$100,000 has purchased on behalf of the Manitoba taxpayer.

HON. M. DOLIN: For the member's edification, the correct title is The Manitoba Labour Education Centre. I would remind him again that a start-up grant was given last year; funding came through in approximately September. That's less than a year back.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. B. RANSOM: Thank you, Mr. Chairman. There are a number of documents made available to the Legislature, and some which have not been available in the past, referred to as major reporting documents, such as the Annual Budget, the Legislative Expenditure Estimates, the Departmental Expenditure Estimates, Public Accounts, Departmental Annual Reports,

Department of Finance Annual Financial Report, Quarterly Financial Report, etc. Two years ago, we had said that we would provide some supplementary information so that in review of the Departmental Estimates, it wasn't necessary for the opposition to have to ask detailed questions of each Minister about some of the changes in funding and particular programs and the staff years and this kind of thing. Last year, the Minister of Finance followed through on that commitment and provided a supplementary document for the Department of Finance. This year, I believe that supplementary information is being provided for four departments. Is the Department of Labour one of those for which we will have this supplementary information?

HON. M. DOLIN: As you have said, there are only four departments that are doing that this year. My understanding is that this is still a pilot program, and I can tell you that the Estimates of the Civil Service Commission are printed in that form and you will be perusing those, I imagine, after we finish these Estimates.

MR. B. RANSOM: Since this information then is not available for the Department of Labour, would the Minister consider following the recommendation of the Provincial Auditor then in making the departmental spending Estimates available to the members of the committee?

HON. M. DOLIN: Perhaps I don't quite understand what the member is asking for. I explained that there were four departments - in fact, he, I think, has that information - that are publishing their Detailed Spending Estimates. Labour and Employment Services is not one of those departments; it was not one chosen for that role. Perhaps it will be in the future but it hasn't been this year. The Departmental Spending Estimates are before you; this is the opportunity to ask questions about those. Any specifics you wish, I will attempt to get an answer for you. I thought that was what we were here for.

MR. B. RANSOM: No, Mr. Chairman, the Departmental Spending Estimates are not before us in that form, and I would tell the Minister I'm sure she has seen the Departmental Spending Estimates that have generally been considered as internal documents that go into more detail about the proposed spending, the planned spending of the department. I could refer her to Page 20 of the Auditor's Report for the fiscal year ended March 31, 1981, where the Provincial Auditor refers to these Departmental Estimates, and he says the usefulness of these documents would be significantly increased if they included more refined particulars of quantified input and output data and were made available to the Legislature. That was the Provincial Auditor's recommendation for the year ending March 31, 1981. Then again in the Auditor's Report for the fiscal year ending March 31, 1982, Page 21, the Auditor says: "In my last year's report, I indicated that the usefulness of these documents would be significantly increased if they included more refined particulars of quantified input and output data and were made available to the Legislature, and that the Minister of Finance was receptive to this suggestion."

I'm asking the Minister whether she would be prepared to follow the recommendation now made for two years by the Provincial Auditor and make those Departmental Spending Estimates available to the members of the committee, which would no doubt save a substantial amount of time in terms of seeking the detailed information.

HON. M. DOLIN: The Auditor's Report that the member refers to has been taken into consideration. By his own statements, he has indicated that he knows that. The Minister of Finance, my understanding is that the Finance Estimates were printed in this enlarged form last year; this has been expanded to four departments this year. If it seems, after this pilot project, to be a good thing to do, I suspect it will be expanded beyond that. That is the point at which we are right now. The internal documents are just that, as the member well knows.

MR. B. RANSOM: They have been internal documents, Mr. Chairman; I grant that, but we now have two years of reports from the Provincial Auditor where the Provincial Auditor recommends that they be made available. We're not talking about the Minister's session book which contains briefing notes to the Minister; we're talking about the Departmental Estimates which are simply the more detailed breakdown of the spending and the staffing, etc., and reconciliations and that sort of thing. The Auditor has recommended it for two years in a row. It's a simple question to the Minister. Is she prepared to follow the Auditor's recommendation and make it available to the committee or will she not?

HON. M. DOLIN: Mr. Chairman, the Auditor's recommendation has been given serious consideration. We are attempting to follow his suggestion and we have a pilot project in place to see how this works, but the Auditor does not set policy. I intend to follow the pilot project that this government has in place. We have expanded that from the Department of Finance to four other departments. It will be assessed at the appropriate time when we are finished Estimates, and at that time a decision will be made about whether every department will follow this course of action.

MR. B. RANSOM: In summary then, the Minister of Labour is not prepared to provide us with the Departmental Estimates as recommended by the Provincial Auditor.

HON. M. DOLIN: Mr. Chairman, I'm sure the member knows that this is standard procedure. It's been in place for much longer than I've been around here and probably longer than he's been around here, and it is not up to me to change it at this point.

MR. B. RANSOM: There are many things that have been standard procedure in the past. It hadn't been standard procedure in the past to provide supplementary information, but there were those of us who felt that it was a needless, I won't say waste of time; it was necessary in order to get the information to go through very detailed questioning and so we had initiated the idea of providing the supplementary

information. The Auditor has recommended that there's no reason why the Departmental Estimates couldn't be made available. Just because they haven't been made available before doesn't seem an especially good reason for not making them available now, but if the Minister simply doesn't wish to comply with the Auditor's recommendation, obviously, we have to accept that position. We can't compel her to follow his recommendation and table the information.

MR. CHAIRMAN: What is the pleasure of the committee with respect to 1.(b)(1)?
The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, I would be interested in receiving from the Minister information with respect to personnel changes in this department since December 1, 1981. Would the Minister undertake to provide me with that information? I don't want to create an unnecessary workload. I'm concerned with senior members of the departments, department heads, assistant department heads and that sort of information.

HON. M. DOLIN: I will take that as notice and have the information for you. You want to go back to 1981?

MR. G. MERCIER: December 1, 1981.

HON. M. DOLIN: Okay, so specifically from that date, I'll get it for you. I have most of the information here but to make sure it's accurate from that date, I'll take it as notice.

MR. G. MERCIER: I thank the Minister, Mr. Chairman. Mr. Chairman, I have a number of items I want to raise, and the member can direct me to other appropriations if it's more appropriate. But she referred to a review of labour legislation. Perhaps she could indicate if the infamous Mr. Scotton is in charge of that review?

HON. M. DOLIN: Perhaps I will just not honour that comment with a response but to tell you that, no, it is not Mr. Scotton in who is leading that review.

MR. G. MERCIER: Could the Minister indicate who is in charge of that review?

HON. M. DOLIN: The exact personnel involved is under consideration at this time. We hope to have that decided very shortly.

MR. G. MERCIER: Mr. Chairman, I take it then from the Minister's comment that the review has not been undertaken.

HON. M. DOLIN: That's correct. It is imminent.

MR. G. MERCIER: Could the Minister indicate, Mr. Chairman, whether the review will be undertaken by just members of her department? Will there be invited representatives from outside labour and business organizations? Will there be public hearings?

HON. M. DOLIN: Mr. Chairman, I'll be happy to make all of that information public as soon as it has all been

finally determined. But certainly, we hope for the widest representation of opinion into this codification of our labour laws. It would be from people from all phases of business and labour and so on.

MR. G. MERCIER: Mr. Chairman, in understanding then, does the Minister share my view that this review should take place then, with people from not only within government, but outside government, from both labour and business and such a group should hold public hearings throughout the province.

HON. M. DOLIN: As I said, we hope for the widest possible representation. That doesn't mean though that everybody out there is going to be rewriting the labour laws. You can't get anything done that way. There will be, certainly we hope, a small group in charge of the actual work, but we do hope that throughout the rewriting or the amalgamation of these labour statutes, there will be ample opportunity for public input on several levels.

MR. G. MERCIER: Mr. Chairman, I ask this. Why can she not commit herself to holding public hearings on the rewriting of labour legislation in Manitoba? No doubt she is perhaps concerned, as all Manitobans would be, of their weaknesses in the legislation that don't provide sufficient protection to workers, fine, those should be improved and changed. If there are weaknesses in the legislation that restrict employment opportunities or discourage investment in Manitoba, keeping in mind the interest of the workers at all stages; with the unemployment situation in Manitoba existing at the present moment and which is in all likelihood going to continue, why can she not commit herself now to the fundamental principle of holding public hearings?

HON. M. DOLIN: Well, Mr. Chairman, I don't think I didn't commit myself to that. If the member wishes to have me say it very clearly, public hearings are part of the planned process.

MR. G. MERCIER: Mr. Chairman, I thank the Minister for that answer then.

I assume that Mr. Scotton is employed in Administration in this particular area. Could she . . .

HON. M. DOLIN: Mr. Chairman, I think that assumption is incorrect. I said before Mr. Scotton is not leading the labour law review.

MR. G. MERCIER: Where is Mr. Scotton employed then? Under which appropriation?

HON. M. DOLIN: Mr. Scotton is employed under the TAP Program. That's the Department of Finance.

MR. G. MERCIER: Does Mr. Scotton not work with this department?

HON. M. DOLIN: As the member probably understands, the TAP Program is not a group of people that work in isolation. As departments have a need for relatively short-term up to two years jobs to be done, they apply to the TAP Program for personnel to fulfill that particular job description.

MR. G. MERCIER: Mr. Chairman, I have before me a press release issued February 18, 1983 that says that Mr. Scotton was assigned duties as senior advisor on labour market issues with the Department of Labour and Employment Services. Does he report to the Minister or does he report to someone else?

HON. M. DOLIN: He reports to me. I applied to the TAP Program for a person to work in this area and you've described a part of his job description. There was a group of people, of course, a very large group of people who had applied for that particular program. Interviews were then held and a recommendation was made to me of persons to hire and I made my choice. Mr. Scotton now reports to me. But the program is through the Department of Finance, the TAP Program itself. You will no doubt hear of other persons hired through that program.

MR. G. MERCIER: Mr. Chairman, the Minister indicated she had a choice and she picked Mr. Scotton out of a group available. Who were the other members of the group?

HON. M. DOLIN: What I meant was a group of people were interviewed by the Selection Committee and the Selection Committee made a recommendation to me. From that recommendation, I hired Mr. Scotton.

MR. G. MERCIER: Have there been others hired by the government under the TAP Program?

HON. M. DOLIN: I think you would have to ask the Department of Finance for the exact information on that, because I only know what I've asked for and gotten. I believe there will be some internal opportunities provided for people who are already within the Civil Service to do a different job, if they wish, through the TAP Programs. So that's another opportunity; it's inside and outside that people are being solicited for changing opportunities.

MR. G. MERCIER: Who is on the Selection Committee that picked Mr. Scotton?

HON. M. DOLIN: The Selection Committee, as usual, was made up of the person to whom Mr. Scotton is directly responsible, who is the Deputy Minister of Labour, a senior representative from the Civil Service Commission; and because of the level of this particular position, the TAP position, it was Paul Hart, therefore, and Mary Eady as the Deputy Minister of Labour, of course, and some senior member of the government's Policy Co-ordination Group, who in this case was Michael Decter.

MR. G. MERCIER: They would, no doubt, all provide an unbiased opinion. How many people applied for this position?

HON. M. DOLIN: I believe that the TAP Program had 400 and some applicants, 423 or something like that.

MR. G. MERCIER: Having gone through this difficult recruitment program Mr. Scotton so successfully overcame, what does he do for the department?

HON. M. DOLIN: I can give you information from the job description. There are three particular items for which Mr. Scotton is responsible; that is that our department has responsibilities that stem from the Summit Conference. As you know, we were one of the lead departments in that conference and function on the Steering Committee of the conference and the ongoing activities of the Steering Committee.

It's important that we have staff back-up to follow up on the mutually agreed upon objectives of the Summit Conference and the ongoing meetings that they have. Another area in which we are very involved is worker participation and decision making; that we have a policy to pursue in this area and we have, as you know, begun to work towards the inclusion of workers on Crown corporation boards. The third area in which Mr. Scotton works is that of technological change; the impact of technological change on the working life of Manitobans.

MR. G. MERCIER: He is the only person recruited under the TAP Program that is working for the Department of Labour?

HON. M. DOLIN: He is the only person recruited under the TAP Program that I have; whether other departments have them or not, I don't know at this point.

MR. G. MERCIER: Mr. Chairman, I just asked for this department.

Mr. Chairman, I would think it's appropriate to discuss the Jobs Fund under Administration. The Minister, in her opening remarks, indicated that this was the co-ordinating department for the Jobs Fund and she indicated on Pages 7 and 8 of her opening remarks that \$3.5 million in programming under the Northern Development Agreement is budgeted for in the Department of Northern Affairs, and \$3 million of our ongoing job creation initiatives have been transferred into a central fund also controlled by the Department of Finance.

HON. M. DOLIN: If the member would look into his book on Page 134, I believe it is, the Jobs Fund is indicated as Appropriation 29. It will be discussed separately towards the end of our Estimate Review.

MR. G. MERCIER: Mr. Chairman, the Minister has made announcements for the Jobs Fund, she has made an announcement on a Careerstart Program, and I'm trying to get some information from her relative to a comparison of last year's Estimates to these. She has referred to them in her opening statement, on Page 8, where she says, "\$3 million of our ongoing job creation initiatives have been transferred into a Central Fund."

Mr. Chairman, my concern is with respect to the charade that the Minister and the NDP are attempting to foist upon the Manitoba public. They published an advertisement last week, "Jobs for Young Manitobans, the Manitoba Jobs Fund introduces Careerstart." I'd like to talk about the specifics of this program. I take it later on we can discuss that under the Employment Programs and Youth Services. But the Minister issued a statement that indicated the Jobs Fund will provide

the financing; she made a statement in the Legislature that this new Jobs Fund Program would be called Careerstart, that it's an important new initiative. I don't take away, Mr. Chairman, the importance of any job creation program for . . .

MR. CHAIRMAN: May I interrupt the Member for St. Norbert. The Minister of Labour would like to express a preference.

HON. M. DOLIN: As the member has indicated, it is appropriate to discuss it under Employment Development and Youth Services. I would be happy to discuss the programs that my department has from within the Jobs Fund at the time that it is appropriate within my Estimates. The entire Jobs Fund itself will be discussed as a separate appropriation towards the end of our Estimate Review; not this department's Estimate Review but the entire government's Estimate Review.

If you wish to discuss the Careerstart Program, it's not appropriate under Administration. It would be more appropriate under the department that is responsible for administering it.

MR. G. MERCIER: Mr. Chairman, I'm not going to discuss the details of the program at this particular time. The Minister indicated in her opening statement that this department is the co-ordinating department for our government's \$200 million job creation initiatives, "and we intend to deploy those resources with the utmost effectiveness," etc., etc. I take it the administration has a responsibility in this particular area and we can have some discussion of the Jobs Fund, and she can resolve the situation very clearly by withdrawing the remarks made in her statement in the Legislature, in the press release, in the advertisements, and confirm that this program, Careerstart, is an ongoing program; it's not a new initiative. She says right on Page 8 it's an ongoing program, and I suggest to her it is misleading to the public to suggest that somehow this is a new initiative under the Jobs Fund. It's an ongoing program.

HON. M. DOLIN: Mr. Chairman, I've said before it is not appropriate to discuss the Career Start Program under Administration. It has nothing to do directly with Administration; it's under the Employment Services Division, first of all, which we haven't even gotten to yet and it's within a branch thereof. The reference to the Jobs Fund I have also clarified, I believe, by saying that the Jobs Fund in its entirety will be discussed under Appropriation 29 which is not this one. This is, I believe, appropriation 11?

MR. G. MERCIER: Is the Minister of Labour saying that she will not discuss the Jobs Fund, supposedly some \$200 million of new money which I suggest is not - what is, at least from her government's point of view, a major program with respect to unemployment - and the Minister of Labour is not going to discuss this in her Estimates? We're going to have to discuss this somewhere else? Is she responsible for the Estimates under the Estimates on Page 134 then, that she referred to?

HON. M. DOLIN: I will be present at those Estimates, yes.

MR. G. MERCIER: You won't be responsible for them.

HON. M. DOLIN: I am responsible for the administration of this fund through the staffing within the Employment Services Division. If you wish to discuss how it is being staffed we can discuss that at that time when we discuss the structure of that particular division, but if you wish to discuss the Jobs Fund and the appropriations therein, the appropriate time to do that is when that particular Estimate comes forward.

MR. G. MERCIER: Mr. Chairman, it appears under the government's priorities that the Minister of Labour is just the bookkeeper, just the clerk, for the program. The Department of Labour apparently has no major involvement as it well should into, which is suggested by the government, to be the most important program to combat unemployment in Manitoba. Perhaps another interpretation of her remarks - does she not agree with the program and not want to have anything to do with it?

MR. CHAIRMAN: May I remind all the members of the committee we're discussing Administration: Salaries.

HON. M. DOLIN: I would just like to respond, Mr. Chairman, that the Jobs Fund and all that it symbolizes is a combined effort of all departments of this government. It's not just the Department of Labour and Employment Services that is doing this. Obviously, one department has to be responsible for planning, developing, monitoring, and reporting to the government on what is happening out there with job creation. That is the role of certain people within the Employment Services Division of my department. The Jobs Fund Committee, as you know, is chaired by the Premier which is an indication of its importance and status within this government.

MR. G. MERCIER: Is it then the ruling of the Chair, Mr. Chairman, that we'll discuss Career Start under Employment Services, that she will not discuss the Jobs Fund in this department?

MR. CHAIRMAN: I will leave it to the Minister responsible.

MR. G. MERCIER: What is the Minister's response?

HON. M. DOLIN: I have indicated earlier that the book very clearly sets out the Estimates as separate Estimates. Ministers are often responsible for separate sets of Estimates. We will discuss the Jobs Fund under Appropriation 29. We will discuss Labour and Employment Services and any involvement it may have directly as a department, in other words, programs, such as Careerstart, within our Estimate discussion. So your concerns about Careerstart can be voiced and answered during the Employment Services section of these Estimates. The appropriate time to discuss the Jobs Fund in general will be when that appropriation is raised towards the end of our Estimate discussions.

MR. G. MERCIER: Mr. Chairman, I regret that the Minister will not discuss this issue. Clearly, a labour matter should be the responsibility of this department as the leading department on the issue.

MR. CHAIRMAN: What is the point of order?
The Honourable Member for Concordia.

MR. P. FOX: I believe the point of order is that these Estimates are laid out with titles and with the appropriate discussion to take place under them. We are under the Department of Labour. Maybe the Honourable Member for St. Norbert feels or believes, or whatever else, that something should have been included, but it isn't. So I think we should get on with the business of discussing the Estimates as they are printed and when we come to the Jobs Fund he can take his heart's content and discuss them as long as he likes, but we are not under Estimate No. 29 at the present time.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. B. RANSOM: On that same point of order, Mr. Chairman, I think the member who just raised the point of order should realize what the practice was during the previous period of time when the New Democratic Party were in opposition from 1977-81. Under this item of Administration Salaries, the New Democrats in opposition always took the position that this is the money which pays the salaries of all the people who administer all the programs of the department and, therefore, it was an area where they insisted on asking a wide range of questions about departmental programs and where they might be discussed within the department. So, this practice has gone on in the past and I'm surprised to see the member now objecting to that kind of questioning.

MR. CHAIRMAN: The Member for Thompson.

MR. S. ASHTON: Yes, Mr. Chairman, on the point of order I believe the Member for Turtle Mountain pretty well hit the nail on the head without meaning to do so. I'm sure the Minister is quite willing to discuss programs of the department; she's indicated that. She's indicated, however, this is a co-operative effort with various departments. She will be present as one of the Ministers involved with the Job Creation Program at the proper time for discussion in the Estimates. She's quite willing to discuss programs which are an integral part of that jobs program in the Estimates and has indicated that as well. Speaking to the point of order raised by the Member for Concordia, I'd suggest we get on with the business of the department and treat the Jobs Fund at the appropriate time on the Estimates.

MR. G. FILMON: Mr. Chairman, this Minister has been described as the lead Minister for the Jobs Fund; she takes public credit for what goes on in the Jobs Fund; she issues news releases to do with the Jobs Fund; she makes announcements to do with the Jobs Fund; she gets involved with projects, the announcement of the extension at Red River Community College because of her role as lead Minister in the Jobs Fund and yet

she's not willing to answer questions to do with the Jobs Fund. I think that it's clear that she ought to, somewhere, agree to answer questions within her department. We just want to know where.

HON. M. DOLIN: I have said repeatedly, I will be happy to answer questions under the proper appropriation, which is the Jobs Fund appropriation. I don't answer questions regarding the Civil Service Commission under Labour and Employment Services Estimates, although I am equally responsible for that area. I will answer those questions under the Estimates for the Civil Service Commission. My responsibilities for the Jobs Fund are obviously new; that Jobs Fund did not exist during the years of the previous government, so it is new.

MR. G. FILMON: Where is it?

HON. M. DOLIN: It is a separate appropriation. It is obvious to you in your books where that appropriation occurs. We will discuss it at that time.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. B. RANSOM: I have a question for the Minister of Labour then, Mr. Chairman. The Member for Thompson has indicated that the Minister will be present when the Jobs Fund item is dealt with. Can the Minister then assure us that every Minister who has responsibility under the Jobs Fund will all be present to answer questions when Item 29 is the specific item before the committee?

HON. M. DOLIN: My understanding is that is what will happen.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, has the Minister hired an Executive Director to the Advisory Council on the Status of Women?

HON. M. DOLIN: Yes.

MR. G. MERCIER: Who was that?

HON. M. DOLIN: The person hired for that position is Joan Allison.

MR. G. MERCIER: Could the Minister advise us as to who was on the Selection Board?

HON. M. DOLIN: The Selection Board consisted of the Deputy Minister, Mary Eady; the Chairperson of the Advisory Council on the Status of Women, who is Roberta Ellis; and one person from our Personnel Branch.

MR. G. MERCIER: Mr. Chairman, could the Minister advise as to the difference in the duties of the job, which were advertised for this position, and those performed by the previous incumbent, a Miss Holtman?

HON. M. DOLIN: First of all, Mr. Chairman, the jobs are different; they are not even the same title and they

don't have the same function. The Executive Director to the Advisory Council on the Status of Women is exactly that and reports to the Advisory Council on the Status of Women through the Chairperson.

There are several other differences which I can enlighten the member on if he wishes me to give a detailed answer on this.

MR. G. MERCIER: Mr. Chairman, I have to make a comment and it is this - and it'll be raised again when we discuss the Civil Service Commission - once again we see, as in the appointment of Mr. Scotton, we see a Selection Board composed of the Deputy Minister who, with all due respect to her, is a political appointment. In the case of Mr. Scotton, another political appointment, Mr. Decter, was on the Selection Board; two out of the three. In this particular case, I don't know the people involved, the person who is selected as the executive director. We have a Selection Board composed of the Deputy Minister, the same political appointment; the Chairman of the Advisory Council, who is a political appointment of the Minister and the government. They then select, along with a member of the Personnel Department within the department who was obviously overcome by the partisan political people he or she is on the Selection Board with, and they pick someone that they want for the job.

We're going to raise this issue in this department, in other departments, in the Civil Service Commission. With all due respect to whomever is appointed, the manner in which this Minister is pursuing these appointments and other Ministers are, I suggest, very adversely affecting the morale of the whole Civil Service. Now, that's an issue that I'll raise in the Civil Service Commission, but I raise it here because we again have another specific appointment by a Selection Board which is, I suggest, very suspect.

Now, Mr. Chairman, the Minister, I believe, appointed the Advisory Council on the Status of Women and announced it in a release of December 3, 1982. Can she advise if she has received any significant recommendations from the council since their appointment?

HON. M. DOLIN: Yes, I certainly have. But first I would like to suggest to the member if he is going to point out that every Selection Board for a position on which my Deputy Minister sits is a political Selection Board, then I would ask if he is suggesting that I have some sort of shadow Deputy that would sit on these Selection Boards. This kind of Selection Board is a direct recommendation of the Civil Service Commission and has been in place for awhile. So, having the person to whom the person who is being hired is directly responsible on that Selection Board is the appropriate mechanism.

As far as the Advisory Council on the Status of Women is concerned, I have asked them for recommendations in May or early June of this year as to the makeup and further expansion of that Advisory Council. They have, in the meantime, supplied me with a fairly comprehensive report on their activities to date.

MR. G. MERCIER: Does the Minister care to make that available to members of the committee?

HON. M. DOLIN: I'd be happy to.

MR. G. MERCIER: I thank the Minister for that, Mr. Chairman.

Prior to making the announcement of the new Advisory Council, there was apparently little communication between the Minister - I appreciate this Minister wasn't always the Minister during that period of time of the previous Advisory Council - she indicated that she wanted to look at a reorganization of the mandate of the Advisory Council on the Status of Women. I wonder if she has done that or has she issued any new requests or instructions or objectives to the Advisory Council?

HON. M. DOLIN: As the member is probably aware, there was a small corps of women appointed to the Advisory Council. This small group was charged with developing a mandate for the Advisory Council and recommending such mandate to the Minister, and therefore to the government, for adoption. That group will be giving that report to me in late May or early June which is about the time that I had indicated to them, about six months. They will also include with their recommendation an indication of how they feel the Advisory Council should be expanded, whether representationally or however. This report is expected, as I say, in a couple of months. At that point, we will be dealing with firming up the mandate and the expanded role of the Advisory Council.

The needs of women in society are ever changing, although some of them we seem to have been dealing with for a very long time and making maybe just slow progress. It is important, I believe, for this group to look at the needs of women in society right now and be sure that what the Advisory Council is doing is appropriate, is needed by women, and is the best possible way of allowing the government to know what the needs of women in our society are right now.

MR. G. MERCIER: Mr. Chairman, I think we can probably discuss the Payroll Tax under Research and Planning that . . .

MR. CHAIRMAN: In that case, we want to pass 1.(b)(1)?

MR. G. MERCIER: No, no.

HON. M. DOLIN: If I could respond. I believe the Payroll Appropriation, is all within the Civil Service Appropriation. The levy, yes, if that's what you are referring to.

MR. G. MERCIER: Mr. Chairman, I don't want to discuss it just as it's applicable to the Civil Service in Manitoba, I want to discuss how it affects employment in Manitoba, and all of Manitoba.

HON. M. DOLIN: If I could respond to that. That's fairly general and I think if you wish to discuss that during my Estimates, the appropriate time is under the Minister's Salary. The Civil Service Commission is obviously the group responsible for the employees of the government and that is a tax applied to your payroll as you have so often indicated, so, that's where it is

located. If you wish to discuss it specifically, if you wish to discuss how it applies to the general labour situation, or economic situation within this province, then I would suggest that is appropriate perhaps with the Minister of Finance; it is appropriate perhaps under Economic Development or something like that, and it would be appropriate under the Minister's Salary as a general comment. But, there certainly is nothing within my appropriations under Administration that relates to that impact.

MR. G. MERCIER: Mr. Chairman, I can understand why the Minister wouldn't want to discuss it. But, I suggest it has an effect on employment in Manitoba, and on rates of pay, at least in Manitoba, and I think it is a labour issue. I thought Research and Planning might be appropriate, I would have thought that hopefully the Minister might have done some research and thought about the impact of the Payroll Tax on employment in Manitoba.

HON. M. DOLIN: If the member wishes to bring that question forward under Research and Planning I am sure that we can give him information that will show him that one of the closures that he has just recently mentioned, which he would like to blame the Payroll Tax for, I am sure, is moving to Quebec where they have a Payroll Tax twice the size of ours.

MR. G. MERCIER: Fine, I will raise it under Research and Planning, Mr. Chairman. There was, however, during the past year, a news report that the railways were shifting the provinces' Payroll Tax to their employees by halting some longstanding medical payments to the workers. Did the Minister become involved in that? I didn't see any follow-up to that particular story and I wonder whether the Minister took any action, and whether or not she can advise whether the railway was successful in doing that.

HON. M. DOLIN: Mr. Chairman, I am not aware of anything going forward from our department on that particular issue to the Federal Government, which I suppose is who he is referring to as the employer, since it is under federal jurisdiction. It may be that another department had some contact with them, but I don't recall anything from our department. I will be happy to look at our files and see if there is anything there, but I will bring that information back.

MR. G. MERCIER: Mr. Chairman, it would appear from the news article that the Minister of Finance, I think rightly, was concerned about what the railways were attempting to do. I am surprised that the Minister of Labour, at least the department, hadn't followed that up; I appreciate she wasn't in the position at that time. I wonder if she could have an enquiry made to see if that was actually passed on to the employees.

HON. M. DOLIN: Well, Mr. Chairman, if I was not in the position at that time, then the Minister of Finance was also the Minister of Labour and any letter going forward from him would obviously be from both. Certainly, our department followed up on the attempt to pass along the Health and Post-secondary Education

Levy to employees; in fact, were able to turn that around in the cases that were reported to us.

MR. G. MERCIER: Mr. Chairman, we are talking about residents of Manitoba, about workers of Manitoba, whether they work under the federal jurisdiction or not. Could she undertake to enquire into that matter and advise later on what happened to that particular situation; did the railways pass on the Provincial Payroll Tax to their employees by halting these medical payments?

Sorry, Mr. Chairman, because I think, if they did, I would expect the Minister of Labour to make some representation on behalf of the workers in Manitoba.

HON. M. DOLIN: Mr. Chairman, I would be happy to research that and see what did happen finally in that particular federal jurisdiction. I would point out again though, if the member is sure that this happened before I became Minister, then the same person was Minister of Finance and Minister of Labour and Employment Services.

MR. CHAIRMAN: 1.(b)(1) - the Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, the Minister earlier on talked about two grants that were made under this particular section. In September of 1982 she announced an \$8,000 grant to the Manitoba Museum of Man and Nature in support of "concerning work." Is that under another appropriation or does she plan in this coming year only to make those two grants from her department?

HON. M. DOLIN: There were some one-time grants given in this past year. They are one-time grants.

MR. G. MERCIER: The Minister has funds available for additional grants to be made in the forthcoming year, is that it?

HON. M. DOLIN: Concerning Work is a one-year program or 13 months or 15 months or something like that of the Museum of Man and Nature. It's not an ongoing program; it's a program of a museum that they put on. We assisted in the funding for their program.

MR. G. MERCIER: Mr. Chairman, the Minister referred to funding for two grants in her Estimates for 1983-84. She referred to specific amounts. Does she have other funding available for grants to outside organizations that are not committed at this time?

HON. M. DOLIN: Within the Administration Budget, is included a grant to the Manitoba Association of Fire Chiefs to help defray the costs of operating a fire school and their annual conference. There is a grant to the Senior Citizens Job Bureau which provides the salary dollars for a co-ordinator and a secretary for the bureau for a year and there is the grant funding for the Hire-A-Student Job Centre Program, which is an ongoing program and then, formerly in that area, there was funding for youth employment, I believe, but that has been removed from the Estimates. So you have the two that I mentioned.

There is also a grant to the Continuing Education Division at the University of Manitoba that provides some assistance to students who are in the three-year certificate course there. There's a grant to the Labour College of Canada. I think that one is the only one I haven't mentioned so far. That provides assistance to students who are residents of Manitoba who are attending.

MR. G. MERCIER: Those are all the grants?

HON. M. DOLIN: For clarification, the four that are included in Administration include the two that we discussed at some length earlier, the Manitoba Labour Education Centre, the Community Unemployed Help Centre, the assistance to the Manitoba students who are at the Labour College of Canada and the students in the Continuing Education Division at U. of M. in the three-year certificate course. Those are the four under the Administration Budget. There are others under other Budget Appropriations which we can discuss at that time if you wish.

MR. G. MERCIER: Mr. Chairman, does the Minister have monies or has she budgeted for public information programs?

HON. M. DOLIN: I'm sorry, I didn't hear the question.

MR. G. MERCIER: Does the Minister have, in her department, money budgeted for public information programs?

HON. M. DOLIN: The various departments - not all of them, but some of them, the various branches, I should say - have monies within their budgets to carry out seminars or publish brochures. I refer you to the Pension Commission, to the Women's Bureau and so on. Those are within the branch appropriations.

MR. G. MERCIER: Does the Minister have what have been referred to as communicators?

HON. M. DOLIN: No, I do not.

MR. G. MERCIER: Can the Minister then advise what the total sum is for public information programs or communications?

HON. M. DOLIN: That would have to be pulled out of every single department and some of them are done according to how much money they have, if I recall correctly, from this past year.

MR. CHAIRMAN: 1.(b)(1) - the Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, would the Minister undertake to extract those sums then, from the total Budget, and provide me with a lump sum figure for its Public Relations, Public Information Programs.

HON. M. DOLIN: Mr. Chairman, under each branch, the member can ask what that particular branch believes it will be spending on Public Information. If the member wishes to keep a running total of what

each department expects to spend, or what they did spend last year or something like that, I'm certain that he could come up with some figure at the end of it.

MR. G. MERCIER: Mr. Chairman, I appreciate that this is the Minister's first set of Estimates. Rather than have that question put to her on each appropriation, it would be a much simpler, speedier process if she would undertake to simply have her department pull out those figures and supply them to me at a later date. — (Interjection) — We did anything you wanted, you know that, Peter.

HON. M. DOLIN: It seems to me that would be a difficult and rather time consuming and probably not too accurate - unless the member could be more specific about what he wants to know - exercise on the part of my staff. I don't know whether the member is going to be requesting information on how often staff members go out to speak at seminars. Is that public information? It certainly is the dissemination of public information but there's not a printing cost. How many brochures they print to take along to these things, whether the brochures are mailed out, which would involve postage costs. You find postage appropriations within some of the branches, you don't find them within others. They have different ways of disseminating their information. There's not a fund for the dissemination of Public Information within the administrative budget. We do not have a Communications Officer.

MR. G. MERCIER: Has Darlene Meakin been re-hired?

HON. M. DOLIN: I could find out that information and answer it where I guess it would be appropriate, under the Civil Service Commission.

MR. G. MERCIER: Has anyone been hired to replace her in the department?

HON. M. DOLIN: As I have said before, I do not have a Communications Officer. There is a position for a Communications Officer; it is vacant.

MR. G. MERCIER: Mr. Chairman, on another matter, there arose during the past year, a situation in which the Minister probably could not be blamed because an appointment had taken place by the previous Minister, but it involved her husband being appointed as a union representative on an arbitration board. I wonder, Mr. Chairman, how she intends to deal with this in the future?

HON. M. DOLIN: I'm not sure whether the member means do I intend to appoint my husband to labour boards in the future or how I intend to deal with this situation in the future.

MR. G. MERCIER: In the situation that was involved, the Minister's husband was appointed, not by the Minister of Labour as I understand it, but by the union.

HON. M. DOLIN: Exactly, yes.

MR. G. MERCIER: But, then the Minister of Labour, who was not this Minister, was put in the position of

appointing a Chairman of the Board. It would be a very, I think, embarrassing situation for the Minister if she had to appoint a chairman to an Arbitration Board on which her husband was involved.

HON. M. DOLIN: First of all, Mr. Chairman, I didn't have to do that, as the member has pointed out, so he is speaking hypothetically.

Secondly, I think he does ignore the fact that my husband and I, like, I assume, most couples, are individuals.

MR. CHAIRMAN: 1.(b)(1) - the Member for Turtle Mountain.

MR. B. RANSOM: One question, Mr. Chairman. The Minister said that the Communications Officer position is present, but vacant. Is it the Minister's intention to fill that position?

HON. M. DOLIN: It is not my intention to fill it at this time, no.

MR. B. RANSOM: Is it then her intention to eliminate the position?

HON. M. DOLIN: I haven't made a decision on that yet.

MR. B. RANSOM: Mr. Chairman, I find that a bit unusual having served on Treasury Board myself as Chairman of Treasury Board. If I had found a position within a department where the Minister couldn't make up his or her mind whether they needed the position or not, it wouldn't have lasted very long, especially if it was at a time when the government had committed itself to making a reduction of, I believe, some 500, in the Civil Service, 500 positions at least. By the very fact that the Minister has the position in her Estimates it must surely mean that she has reason to keep it there. What would the reason be to have that position in her Estimates?

HON. M. DOLIN: The reason for keeping the position there is that I do feel that there is a need for someone to handle the communication needs of the department. I feel that these this is a role that hasn't really been clearly defined. I want to be very careful in defining that role and being sure that the best possible service is obtained for the department. A department this large obviously needs that kind of a function within it. But I do believe that the role has to be very carefully defined. We are in the process of doing that.

MR. B. RANSOM: So, the Minister has a position within her department then for a Communications Officer, but she doesn't know how that position will be used?

MR. CHAIRMAN: 1.(b)(1) - the Member for Tuxedo.

MR. G. FILMON: Mr. Chairman, reverting to the topic that the Member for St. Norbert raised about the appointment of the Minister's husband to an Arbitration Board, does the Minister see this as a potential conflict of interest where she is in a position to select the

chairman and where one of the appointees is her husband?

HON. M. DOLIN: At the risk of being slightly facetious, I can't imagine that I could have a conflict of interest in the situation where the issue is beards. However, as was pointed out, I did not make the appointment. — (Interjection) — The Minister does not make those appointments except in very unusual circumstances and the Minister did not make the appointment to which you are referring. The appointment was made by an outside group. That outside group has the right to appoint whomever it wishes to appoint.

Those two people, if they cannot decide on an arbitrator - I'm sure you know that very often they cannot decide on an arbitrator; on a chairperson for that arbitration committee by the very nature of their own appointments - then, the chairperson is appointed by the Minister of Labour. That is what happened. I was not the Minister of Labour at that point, but that still was irrelevant when you're talking about the appointment of the union or the management representative. So, you're talking about the chairperson, which is not my husband.

The case, by the way, is before the courts and probably would have been dealt with long, long ago if it hadn't been held up in the courts so long.

MR. G. FILMON: I'm sure that it would have been dealt with a long time ago if it hadn't been held up, Mr. Chairman. — (Interjection) — My point is, does the Minister feel that it would be appropriate in future for her husband to be an appointee by either side in a — (Interjection) —

SOME HONOURABLE MEMBERS: Oh, oh!

MR. G. FILMON: Mr. Chairman, I wonder if the Member for Concordia could restrain himself.

MR. CHAIRMAN: Will the members be civilized to speak one at a time?

MR. G. FILMON: My question is does the Minister feel that in future it would be appropriate for her husband to continue to be appointed as an arbitrator by either side in a labour-management dispute to an Arbitration Board?

HON. M. DOLIN: Perhaps I could reiterate very carefully for the members that the Minister of Labour does not make that appointment. That appointment is made by outside bodies.

MR. G. FILMON: Well, Mr. Chairman, perhaps I could very carefully delineate the possible scenarios, since the Minister has already acknowledged that where the two parties - the one representing management and the one representing labour - cannot agree on a chairman, that the matter then reverts to the Minister for a decision. Does the Minister not see a possibility - we're talking now of public perception; justice must not only be done, but be seen to be done - that people would see it as a conflict of interest that her husband, who would obviously have as one of the representatives,

a viewpoint as to who the chairperson should be - if the Minister prefers - of that arbitration committee, that now he finds that his wife is in a position to appoint that chairperson, does the Minister not see that as a potential conflict of interest?

HON. M. DOLIN: Mr. Chairman, we are speaking about a hypothetical situation. I would ask members to keep that in mind. I don't believe I'm here to answer hypothetical situations.

MR. CHAIRMAN: Shall we go on with the business of the committee. 1.(b)(1).

MR. G. FILMON: Mr. Chairman, with all due respect, I believe this is the business of the committee. I believe that this is a fundamentally important issue with this Minister as the Minister of Labour, that as long as her husband is going to continue to be appointed as an arbitrator by either side in a labour-management dispute where she is in a position to appoint the chairman of that arbitration committee on appeal, then I think that's a significant concern to people who may be participants in a labour-management dispute.

I think that this Minister should put her views on it on the record. If she does not see it as a potential conflict of interest, then I'd be interested to know that. We're going to be discussing conflict of interest in legislation that's been put forward by this government. I want to know what this government and its Ministers' views of conflict of interest within their own workings and the relevance of their own responsibilities is, and I want this Minister to tell us.

HON. M. DOLIN: I would like to point out to the member that my husband has not been appointed to any other arbitration board, certainly to none since I have become Minister. I believe that what he is raising is a hypothetical situation. I would also point out that I don't know of any other situations that the members are questioning in this regard, and I would point out that we are individuals, our activities and our careers are maintained as individuals. I do not intend, if this is what the member is wishing to have me say, I do not intend to appoint my husband as the Chair of any arbitration boards, that is my role, to appoint the Chair, when requested.

MR. CHAIRMAN: 1.(b)(1). You got your answer.

MR. G. FILMON: No, we have not. I want to know if she thinks it's appropriate for any other party in the dispute to appoint him as an arbitrator, not whether or not it is appropriate for her to appoint him as the Chairman?

HON. M. DOLIN: That is not for me to say, that is for the parties concerned to determine, whoever they wish to appoint. That is their right and their responsibility, it is not for me to say who they appoint.

MR. G. FILMON: I think, Mr. Chairman, then that that's a shameful approach to conflict of interest. It is this Minister and her husband's right to make a determination whether or not he shall sit on any arbitration board, knowing that ultimately she, as a

Minister can, and will be put in a position of conflict of interest in appointing a chairman if he, as one of the parties, disagrees with the other party in the arbitration hearing as to who the chairman shall be. That will put her, in my view, in a direct conflict of interest position and one that I think will be of interest and concern to many Manitobans.

MR. CHAIRMAN: 1.(b)(1). The Minister wants to reply.

HON. M. DOLIN: Mr. Chairman, I believe that, again, the member has distorted the situation. The parties involved make their choices, they ask the representatives that they wish to sit on the Arbitration Board. Those people that they ask have an opportunity to agree to sit, or not to agree to sit. If they agree to sit, and then do not agree on a Chairperson, sometimes they do, sometimes they don't, they then come to the Minister for the appointment of a Chairperson. Now, my involvement in this process occurs when a chairperson cannot be agreed upon. If the member is asking me whether or not my husband will agree or disagree if asked to be a representative, go and ask him. He is not here, I am here, I don't make that decision for him, he doesn't make my decisions for me.

MR. CHAIRMAN: The Member for Radisson.

MR. G. LECUYER: I just want to ask, if it's possible to ask a question of the member? We can't. I just want to ask a question of the Minister. Does the Minister know of a mechanism by which she could intervene on the management side or on the labour side to prevent them from selecting a candidate that they would want to select?

HON. M. DOLIN: There is a mechanism for that. The candidates are selected long before I ever hear about it, in fact, I don't hear about it unless they need to have a chairperson appointed, one that they cannot agree upon.

MR. G. FILMON: Mr. Chairman, if I may. I can certainly help the Member for Radisson. I know of one mechanism, the Minister could ask her husband not to sit as an arbitrator. That's a very simple mechanism and it would avoid any perceived conflict of interest.

A MEMBER: Does your wife have to be told what to do all the time?

MR. G. FILMON: I would accept advice from my wife just as I am sure she would accept advice from me, and I would be glad to give it; but I want to tell these members, who think that they're so smug about this situation and that there is no conflict of interest, Mr. Chairman, that the fact of the matter is that they are asking, in their legislation, for people to have their wives reveal their assets, for people to have their children reveal their assets, because they think that that will eliminate a conflict of interest. But they are not willing to ask their own spouses not to get involved voluntarily in a conflict-of-interest situation that is very definitely here.

MR. CHAIRMAN: The Honourable Member for Springfield.

MR. A. ANSTETT: Mr. Chairman, I move that Committee rise.

MR. CHAIRMAN: Committee rise.

SUPPLY - AGRICULTURE

MR. CHAIRMAN, P. EYLER: Committee come to order. We are discussing the Estimates of Agriculture, Item 9. Income Insurance Fund.
The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, I asked the Minister of Agriculture earlier this afternoon if he would indicate to us the authority he used or the mechanism he used to write off the \$400,000 that was owed to the province under the old Beef Income Assurance Program that was implemented by this colleague who is now sitting beside him, the Minister of Highways. I would expect some response from him as to the authority that he used to forego some \$400,000 that was owed to the province and if that number is not correct and if he did not do that, then I would expect him to clarify that at the particular time.

MR. CHAIRMAN: Mr. Minister.

HON. B. URUSKI: Mr. Chairman, the member at supper time raised the matter as to why there wasn't an announcement in like. Mr. Chairman, the fact of the matter is the final decision has not been made on this whole question. The question was brought before Cabinet and was discussed, I believe, the Honourable Member for Turtle Mountain questioned me in the House last fall about this matter and I indicated to him that the policy decision at that time was arrived at but the instrument had not been passed. The only way that a matter such as this can be dealt with, as any other matter of doubtful accounts can be dealt with, is through an Order-in-Council brought forward by the Minister of Finance. In view of some of the statements made in the media and the like, we have asked for a review by legal people dealing with this whole matter, Mr. Chairman.

MR. J. DOWNEY: Well, Mr. Chairman, I am somewhat surprised to hear the statement by the Minister of Agriculture, because several months ago one of his beef commissioners, appointed by him, indicated at a meeting in Brandon that some \$400,000 had been written off, that that was all behind the government - no, he says it wasn't a government announcement. I agree; I did not hear it from the government. That's why I'm asking the question at this particular time. So I now take it that this Minister of Agriculture is proceeding to make sure that the province was paid back those funds that were owed to them. — (Interjection) — They're saying no. Well, then they're intending to write off the \$400,000 that is owed to them — (Interjection) — Mr. Chairman, then we have nothing more than a government who are indecisive on the other side. They can't have it both ways. Either they're going to collect the funds back or they're going to forgive those funds, and I think the Minister should come clean on what his policy is. There are people out

there who have paid funds back to the province, have felt an obligation to pay them back, and I think they did the honourable thing. I think, as the Minister for Flin Flon said, rightly so.

The Member for Lac du Bonnet says he's wrong. I think the Cabinet should clean up their act and get one straightforward policy decision. The Member for Lac du Bonnet said the Minister of Housing spoke out of turn. He may have spoken out of turn, but the point is that he spoke; that's the important thing. Now we are starting to find out precisely that there is — (Interjection) — He unofficially spoke, the Member for Lac du Bonnet said.

The point is that the government has a policy decision to make on whether they are going to collect those funds back, a legal decision. It has to be done properly. I hope the Minister and his colleague would say that even though they didn't agree totally with some of the policy decisions, that there were certain commitments that were being asked to be met by the past government. I don't want to get into a long debate on this particular thing because we are debating the future stabilization program, but I do think it's important that the Minister clearly state to the cattle producers, and to the people in Manitoba who put money into it, where they stand on it. That is important because people paid funds back, felt an obligation that they should, and when they heard this report that farmers were being let off the hook then they are very upset.

I don't blame them, Mr. Chairman, to be quite honest with you because, after all, certain people felt an obligation. They maybe didn't disagree, or agree politically, with us or whatever, but I think that the Minister should clearly state his policy, as we did state our policy. We took some flak from the opposition at that time, we took flak from the opposition. The Minister of Highways, who was the then the agriculture critic, and then the Minister who is now Agriculture, gave us a lot of flak on our position. A lot of flak.

HON. B. URUSKI: Hasn't changed.

MR. J. DOWNEY: Well, the Minister of Agriculture, now says that he hasn't changed. Well, the thing that has changed, and unfortunately, is that we are able to give the flak now and he has to take it.

HON. S. USKIW: Important change.

MR. J. DOWNEY: It was an important change. The Minister of Highways says it was an important change. Well, you know, things can change again, too.

HON. B. URUSKI: That's always a possibility.

MR. J. DOWNEY: The Minister of Agriculture said, that's a probability. — (Interjection) — Oh, I'm sorry, I thought he said that it was a probability, it was just a hearing problem that I had. It is a probability, and I will say that, they don't have to, Mr. Chairman, because of their inability to govern the province.

The current concerns that I have, of course, and I would expect the Minister, in his response, would reply to the old Beef Program, and how he is going to handle the amount of monies that are owed. Some of the

current problems that I have, Mr. Chairman, and I am sure were brought forward the other evening by my colleague from Pembina, who went over some of the regulatory problems that now apply to the farmers.

Earlier in the Estimates, and earlier in some of the debate, I brought some concerns forward to the Minister of Agriculture, that I felt he was acting without legislative authority, or without the power that he needed to implement such a program and to handle all the marketing responsibilities without going through the Natural Products Marketing Council Act, and the vote that would have been required to implement a marketing board. I, as well, asked him to clarify, or to provide clarification, from the Attorney-General's Department as to whether he had that kind of documentation, or whether in fact, he was just implementing. He keeps emphasizing the word voluntary, that it's a voluntary program that he's introduced for the beef producers, but, on the other hand, it's a voluntary program to participate, but after you participate, it becomes a compulsory program to market through the Marketing Commission. And the regulations that are imposed on those individuals come up with such comments, or such directives as 13(5), the decision of the Manitoba Council is final, he has no more appeal after the council has made a decision.

It goes back to again the difficulty we raised with the possible conflict of interest, Mr. Chairman, where one of the inspectors, and I challenge the Minister because he said, all a Minister's job was, was to count the cattle that were enrolled in this program. I have talked to quite a number of beef producers, Mr. Chairman, and to the Minister, I have been told by those beef producers, that inspectors who come around do not only count the cattle, but they direct or tell the producer, they will tell him when and where he can market those cattle.

The Minister of Highways, nods yes, that's a possibility. That's what happens. But the Minister of Agriculture said, the inspector who they hire is only to count the cattle. But, I have talked to a number of producers, Mr. Chairman, who have indicated that the inspector does more than count the cattle. A little more. He tells them where he markets them, and when they are going to be marketed. That is quite a bit more than what the Minister of Agriculture told us in committee the other night.

Now, the Minister of Agriculture has a somewhat different opinion from the Minister of Highways because the Minister of Highways - now he's shaking his head the other way. But I do believe, — (Interjection) — that's a good question, which one is the Minister? Good question, Harry. Is it the Member for Lac du Bonnet or is the Member for St. George that's the Minister? But I ask the question because it is important. Because if an inspector comes to a farmer's yard and just counts the number of cattle he has enrolled it's one thing. But, if he comes to a farmer's yard, and he said, you have to market your cattle at a certain point, at a certain time, then that's a pretty heavy directive to come from individual who at the same time, if the producer disagrees with that individual, his only recourse is to go and appeal to the Natural Products Marketing Council where he sees that same inspector, Mr. Chairman, sitting in judgment of his own actions.

One thing about it, the judge would certainly have had experience prior to making his decision because

he would know exactly what it was founded upon. But, I don't think that's what the beef producers of the people of Manitoba would expect. I would expect the Minister to change that as we said earlier in the Estimates. The commission may make orders, regulations and directives with respect to determining the time and place - and the agency through which the regulated product or variety or class or grade shall be marketed. Well, let's substantiate it right now that the government have written regulations telling that producer where he shall market and it will be their determination. Well, that I guess is what the inspectors job really is. So the Minister has misled, again, the Committee on what that inspector's job is or what his intent is.

There are so many questions, Mr. Chairman, to the way in which this beef program has been implemented that the Minister had better start explaining some of the things. The commission, shall, after deducting all necessary and proper disbursements and expenses, distribute the remainder of the monies received from the sale of the regulated product in such a manner that each producer receives a share thereof relative to the quantity, quality, variety, grade, class. We now are in a situation where the commission shall determine what each producer will get. Not basically on a basis of precise animal that he has produced but it's all thrown into one lump, into one pooling program, and if the Minister thinks I'm misleading or trying to say something different, it is true that all the product that is produced under this program goes into one pool and the price is paid on an average basis. Everything goes into one lump, it's a pooling price that they're working on. Am I incorrect in understanding this? — (Interjection) — Not of mixed grades, but I can tell you, Mr. Chairman, the Minister of Highways is helping me to some degree. He said not of mixed grades.

Well I've been in the beef business long enough, Mr. Chairman, that if you produce choice animals, grade A1, at 550 pounds dressed weight to 600 pounds then you get paid a standard price. But you could have one that grades A1 but he weighs 375 pounds then he, in fact, is worth less because of his weight classification, not because of his grade. So, we've got all these animals that have graded A1 but are a different weight, the man who puts out the lighter weight carcasses is taking some of the income, Mr. Chairman, from that individual who has put out the desirable weight in the A1 class. That's what we're talking about. That's part of the problem. — (Interjection) — The Minister says an A1 is an A1, Mr. Chairman, a lot of the grading of beef goes into weight classification and sure it's an A1, but it's not as desirable a weight as what a lot of the packers want, so they discount it. So those people that put out the desirable weight get penalized because of either the light weights, or it could go the other way, it could be an overweight, and again discounts that animal.

I know the Minister doesn't understand the beef industry because he is a producer of turkeys and a turkey is a turkey is a turkey is a turkey, as is the Minister. I'm sorry, I withdraw that. If turkey is an unparliamentary word, I will withdraw that comment; but I am trying to make a point, Mr. Chairman, that you can't grade beef cattle and pay them out the same as you do the turkey industry, the hog industry, the chicken industry; there is quite a bit of discrepancy.

To further substantiate, Mr. Chairman, some of the concerns that I have, and I want to make the Minister

very clear on what my concerns are and they haven't been fabricated by me. They haven't been brought forward by me; they haven't been fabricated by me. In fact, they haven't been fabricated by anyone; they are true facts, Mr. Chairman. I would hope the Minister would address these problems because he is dealing with pretty much an NDP commission that he's appointed; plus all the inspectors are NDP, so he should be able to look at his membership list and give them a call at any time.

No, I make no bones about it. He has appointed totally NDP to most of the things he's done and if he wants to deny it, let him deny it. I don't have any problem, Mr. Chairman, but I do have a difficulty in understanding why this kind of situation would develop. A farmer who is producing beef cattle and has done so for many years, joined the Beef Program, and he marketed his cattle. In the marketing of his cattle, he had two steers that were weighing over a thousand pounds apiece and they were classified as market steers or had the quality to be killed and slaughtered. So the animals weighed over a thousand pounds, the premium that he paid into the Beef Commission was \$5.25, or \$5.00 on \$100, or 5.25 percent of his gross returns; that was what he paid. The deficiency payment on a per hundredweight basis was \$16.80, which was a reasonable pay out. I think that was a reasonable pay out; but in that same load of steers, Mr. Chairman, that same producer had three steers, same feed, same pen, graded the same way as I said earlier, A1's, only they weighed a little lighter, those other three steers that he had on the load didn't weigh quite a thousand pounds apiece. In fact, they weighed 2,835 lbs., just under a thousand pounds, but they still went to probably get their just reward and go into the beefsteak trade. They were classified as yearling steers but note this, Mr. Chairman, and this is important, the premium to be involved in the Beef Stabilization Program was no longer 5.25 percent, it went up to 7 percent to participate. He now had to pay 7 percent of his gross returns, 1.75 percent more - which is quite a bit of money - to participate in the program because they were now yearlings, they weren't slaughter cattle.

But, note this, Mr. Chairman, on the same load of cattle he had two slaughter steers that got a \$16.80 subsidy but, because they were yearlings and because of the formula that's involved, his payout on the yearling steers was only \$9.96 cwt. The 16 didn't apply to those animals, Mr. Chairman. You know what the answer was when he contacted the Beef Commission and the bureaucrats within the Department of Agriculture, you know what it was? That he should learn how to identify whether it was a feeder steer, or a slaughter steer that he was selling, Mr. Chairman.

Here's a producer who's been in the beef business for 25 years is being told by government employees that those steers that would grade A1 were feeder steers because they didn't weigh 1,000 pounds. You know, that kind of thing, Mr. Chairman, just makes farmer very upset. It makes me upset, Mr. Chairman, because what happened was he was charged a higher commission, a higher premium by 1.75 percent, and he was covered at \$9.96, whereas a slaughter steer would have been covered at \$16.80. That isn't fair, Mr. Chairman. The Minister has to take the responsibility for this.

HON. B. URUSKI: Have you brought this to my attention?

MR. J. DOWNEY: I'm bringing it to your attention right now. What do you think I'm doing? What are we sitting here; what are we doing in committee? Have I brought it to his attention?

HON. B. URUSKI: Do you want to debate every cattle sale.

MR. J. DOWNEY: Do I want to debate every cattle sale? No, we're debating the Beef Commission; that great program that you introduced. As time goes on I will continue to bring these problems to your attention. I hope you do something about it. One thing is to know about it, the other thing is to do something about it.

Mr. Chairman, I had another particular concern brought to my attention by a producer. This particular producer felt that he'd get some security from the Beef Commission and get some payment from last year's production. He submitted to the Beef Commission that he had marketed some 27 cattle out of 30 cattle last year to the market.

HON. B. URUSKI: 27 out of how many?

MR. J. URUSKI: Out of 30 head; 30 cows. He registered 30 cows, Mr. Chairman, and the producer said that he fattened and marketed 27 cattle which isn't an impossibility, that's quite a normal kind of a thing. He sent in for his retroactive payment, last fall's payment, on 27 head, and you know what he got back as a response? Because somebody in the Department of Agriculture, the Beef Commission, that political group that this Minister has appointed, said well it isn't really normal to have 27 calves off of 30 cows because you know they have death loss at calving, and they have other little problems, but because this man was a good producer and an efficient producer, he did put out 27 fat animals, slaughter cattle to go to market. The response was, not in the contract, Mr. Chairman, this wasn't in the contract, but the response was that the Beef Commission wouldn't pay him anymore than 80 percent; they wouldn't cover anymore than 80 percent of those animals that he had registered.

Well I, Mr. Chairman, challenge the Minister to say why he's discriminating against producers who are putting out 100 percent or 90 percent when it wasn't written in the contract. It was not written in the contract that they were only going to cover 80 percent of the cattle that were applied for, of the calf crop. That's a unilateral decision made by the Minister of Agriculture and his Beef Commission, not agreed to by the producers because if they'd have put in for 30 animals, Mr. Chairman, he should have been paid for 30 animals. He had the ability to put out 100 percent efficiency.

HON. B. URUSKI: Why didn't he go to 40 animals?

MR. J. DOWNEY: Well then, let's deal on 100. What this man is telling me is if he registered 100 cows and applied for 100 calves to be paid for under the Retroactive Program, under the Beef Stabilization Program, that he would have got a letter back from

the Beef Commission saying that he only qualified for 80 to be paid for. That is precisely what I'm saying and that is the policy of the Beef Commission under this Minister of Agriculture.

If I'm incorrect, Mr. Chairman, then I challenge the Minister to make it straight, but that is what is going on. It's not acceptable because it wasn't written in the contract. They signed a contract with the beef producers to put in X-number of cows; to produce X-number of beef animals and they should be covered for that, Mr. Chairman. They shouldn't now be rolled back to 80 percent of those animals they enrolled. If they do, they're liable, Mr. Chairman, and should be sued. — (Interjection) — Good idea, he says, should be sued.

No, I don't think the farmers should have to go to that. I think the Minister should live up to the contract that he signed with the producer. If he's playing those kind of games, this is just the start of the program and I'm not going to make a big issue out of it because I will agree that the beef industry needed some support. We in Manitoba felt, as we were working on a program, but we felt it would have been better to pay a straight out one-time payment. No, the Minister said it's the best way to implement a Beef Marketing Board that I can see; I will put Craig Lee and all those people that were initially in favour of a Marketing Board, under the former Minister of Agriculture when the NDP were in, we will now have a Marketing Board, only we'll do it through regulation and we'll do it through the manipulation that we feel is in the most way possible to do it, without going through a public vote.

Mr. Chairman, the Minister has to answer the questions that I'm asking tonight because, if he doesn't, he is going to face one of the most irate and upset group of people in the farm community that he's ever seen, because you don't unilaterally change a contract that is accepted as coverage. Now, don't point your finger at me, Minister of Highways. I never changed a contract. — (Interjection) — No, nor did I violate it.

The former government prior to me did change a contract. They introduced a multitude of contracts and he can't deny it; a multitude of contracts. — (Interjection) — Yes, of contracts. Yes, that's right, that's a multitude of them. — (Interjection) — Yes, they changed the terms of them, because he allowed them to opt for a federal program. — (Interjection) — Okay, now he says that's okay. So, the changes were, in fact, made by him. There were no changes made by us.

Let's get back to the current issue, Mr. Chairman. The present Beef Program, the contracts that were signed haven't been in place for more than six months and there have been some pretty major changes made to them without a legal amendment to them. The one particular one is the unilateral decision to classify certain animals as feeder cattle, rather than slaughter cattle; the other one is to unilaterally make the decision that only 80 percent of those cattle eligible or enrolled, are eligible. That isn't in the best interests of a good working relationship between the cattle industry and the Minister of Agriculture.

I bring those concerns to the attention of the Minister and he says, well why hasn't he heard from me. Well, he's hearing from me, Mr. Chairman. You know, he's heard from for, I guess it's almost on to two years. He's heard, Mr. Chairman, I should put it this way, he's listened, but he hasn't heard. If he is going to continue

to take that arrogant approach, the arrogant approach that the opposition who bring positions forward, who bring recommendations forward, really haven't got any merit to them, let him continue on. Let him continue on because what he will eventually do is assure us that we're going to be government again. We have no difficulty with that. In fact, we would very much like to get in so that we could straighten out the concerns and the problems that they have created. We've done it before, and we'll do it again.

I would hope the Minister has some answers, and I am sure that many of my colleagues have a lot of questions on the Beef Commission. The Minister of Municipal Affairs, it is unfair to ask him a question about this particular thing. I know he participated in the old Beef Income Assurance Program, I would ask him if he's in this one as well?

HON. B. URUSKI: Mr. Chairman, the Member for Arthur raised a number of questions. I will try and deal with some of them in his remarks.

Mr. Chairman, he raised the question of the inspectors under the Beef Commission. Mr. Chairman, I may have at the time of the last debate, used the same word as inspectors. Mr. Chairman, the role of those people was to act as field men in terms of doing only, — (Interjection) — in fact, about a week ago when we debated this matter again, I indicated that their job for this spring has been ended. In fact, their role was for the time being, only to do one thing, it was to count and verify the animals enrolled. No other powers, no other authority, Mr. Chairman, was given to the field men under the Beef Commission.

Mr. Chairman, the member has confused the issue of these field men telling the farmer as to when the animals are ready and when they should be marketed. Mr. Chairman, the farmer is the only one that decides as to when it is time to market the animals. — (Interjection) — The farmer, he is the owner of the animals, Mr. Chairman. That who is telling the animal, Mr. Chairman, he is the one that is telling the animal. — (Interjection) — Mr. Chairman, what happens is, if the honourable member wants to go through the process, when the producer feels his animals are ready to market, he picks up the phone, phones the commission, and says, these are the number of animals I have to market. This is their description, this is their size. Can I market them?

— (Interjection) — Mr. Chairman, if the member would contain himself, let me finish my remarks, then he can get up and speak if he desires.

Mr. Chairman, when that call is made, the commission then puts those animals on the market, gets the quotations from the industry, phones back the farmer and tells him, this is what has been offered for those animals, do you accept? The farmer then says, yes I will accept. He has then advised as to where and when these animals should be delivered to the marketplace. If the producer delivers them himself, that's up to him, or he can use his local transfer or the like.

Mr. Chairman, the role of the field men was to do only one thing. There is discussion through the commission, that it may be worthwhile to have, in fact, field men involved in the area of marketing of animals, calves and yearlings through the auction marts to make

sure that the processes are complete and that there are less problems encountered in terms of identity of marketings and the like at auction marts for payment procedures. That is being looked at by the commission, whether that will in fact be in place has yet to be determined at this point in time.

Mr. Chairman, the plan, the member indicated whether this plan was legally approved, the plan was approved by the Attorney-General's Department who approve the Orders-in-Council and the orders that are presented as to the legality of those orders and that they conform to the law and to the Act. Mr. Chairman, those were approved by the Attorney-General's Department.

Mr. Chairman, the member raised a question as to whether or not, Boards, Marketing Boards, should have been approved by this Assembly. Mr. Chairman, there have been marketing boards that were established directly and indirectly without being voted on by this Assembly or by all the producers involved from time to time.

— (Interjection) — Pardon me? Mr. Chairman, I believe the Hog Board was brought into being, in terms of the commission without a producer vote. There was subsequently — (Interjection) — Mr. Chairman, the Beef Stabilization Program, was brought in as a voluntary program. Part of that program is a compulsory marketing scheme for finishing animals, Mr. Chairman.

Mr. Chairman, with respect to the question that the honourable member raised with the animals that were, some of which were marketed and sold as slaughter animals and part of the herd was not sold as slaughter animals, I would want to have those details from the honourable member specifically so they could be investigated. I don't believe that is a correct position to be in on behalf of the producer. If those animals were marketed for slaughter animals, and they would have made the grade that they should have, they should have been slaughtered as slaughtered animals, and the farmers should have paid the appropriate premium. Mr. Chairman, there is no doubt in my mind, that should have been done. I am only taking the member's argument as he has put it and the way I understood it. He should not have been handled in the way that he was. I agree with him. I would want the details so that this matter could be investigated further.

Mr. Chairman, with respect to the pooling and the price paid, the carcasses are pooled as per weight and grade on a weekly basis. If there is a premium paid in terms of the exceptional quality of the beef, the producer receives that. But the pooling price is there to receive the average price so that the stabilization can be paid on a pooled weekly price, Mr. Chairman, so that there is an even price on which stabilization payments can be made. If the producer receives an extra benefit because of good management and because of good quality carcasses, those benefits are his, in addition to, if there is a payout made at time for stabilization, in addition to the good price he received for his carcass. So, that there is an incentive for producers in this plan to produce good quality carcasses, Mr. Chairman, that is what is designed in this plan.

The one point that the member has raised that I have to acknowledge, Mr. Chairman, is not within the contract, and that is the issue dealing with retroactivity of payments and the percentage of the herd that the

commission has used as a guideline, Mr. Chairman. There is no doubt that there is no percentage put into the contract anywhere in terms of allowing producers some flexibility. Mr. Chairman, when you're looking at a retroactive payment, one could - and it has happened where producers have marketed more than 100 percent of their crop. Those kinds of moves have been made and I think the commission, I would have to say to them, have a right to question the marketing practices of that farmer and to look — (Interjection) — Yes, marketing practices. Do you normally produce 110 percent of your cow herd, Mr. Chairman? — (Interjection) — Not the hogs; that's exactly the question I've raised. The Member for Morris says not normally; I agree. But all of a sudden there have been cases this fall that that has happened and I believe that the commission was right in questioning those . . .

MR. H. ENNS: More important, how do you get 110 calves out of two ponies?

HON. B. URUSKI: Mr. Chairman, the Honourable Member for Lakeside raises the question; that is one that is being looked at very carefully, no doubt about it. That question, I acknowledge to the Honourable Member for Arthur, is not within the contract and it is used as a guideline to examine the retroactive payments, Mr. Chairman. In terms of the ongoing, there is no guideline or no percentage amount that is made within the contract as to the percent of marketings that have to be undertaken. Mr. Chairman, there is no doubt that any cattlemen in the industry know they do not annually market 90 percent or 100 percent or more than 100 percent of their animals that they raise annually. In fact, 27 steers out of 30 is 90 percent of the animals marketed. So that we would want to at least ask the producers whether they are intending to continue marketing at that similar level in the future in terms of 90 percent of their herds, Mr. Chairman. I don't think it's unreasonable in asking what the producer's plans are and have been in the past in terms of marketing such a high percentage of animals that were produced on the farm for the retroactive payment. Once those explanations are in, the payments are made, Mr. Chairman, and I think probably over 90 percent of the files have now been taken care of in terms of the retroactivity clauses.

I have to say to the honourable member that they were held back because of the volume of contracts that the commission received in joining the plan. There was more interest and more involvement in the plan than we had anticipated, Mr. Chairman. As a result, the payments of the stabilization on the retroactivity of the plan had to wait, but the bulk of them have now been taken care of.

MR. J. DOWNEY: The Minister has dealt with everything but some of the questions on the old program on the intent to collect back the funds, but I will not dwell on that at this particular time. The Minister made a comment that we now have a marketing board for the hog industry that wasn't brought in by a vote. When the Conservatives were in office, Mr. Chairman, prior to the NDP of 1969 - that's getting on to be a few years ago - good years - that's before the NDP moved

to become the real left-left of left and there was still some sensibility possibly within them. However, I won't give them a lot of credit but I will give them a little.

The freedom to market either through a marketing commission or a marketing system of their choice was available. When the New Democrats got into office, they made it compulsory for the hogs to be marketed through a marketing board. That I can see will happen with the beef industry as well. I don't believe there will be a long term of freedom. I think as the market increases, let's remember, Mr. Chairman, that we are now looking at feeder cattle bringing well above the stabilization price. What the producers are now receiving from the Beef Income Assurance Program is a bill or a charge to belong to the program. They're not getting any benefits. The feeder cattle industry is doing quite well right at this particular time, Mr. Chairman, and I predict - I don't mind going on the record - that we will see the slaughter cattle industry in Manitoba increase in the next few months to the point where there won't be any possibility of getting a pay out on slaughter cattle. Now, that's a pretty bold statement to make, but I'm not promising it; I'm saying that I am predicting — (Interjection) — The Minister says that program is working. No, that isn't the fact. The program is going to be a detriment to those producers because now what they're going to be doing, Mr. Chairman, is paying 5 percent of their income into a pool. Well, 5 percent of an \$800 steer is \$40.00. That is a substantial amount of money, Mr. Chairman, and I don't think many producers are going to continue to want to do that. I will challenge the Minister to encourage him to do so, to keep in the program, when there is no possibility of a pay out to the producers, but they in fact have to continue to pay into it.

It will be interesting, Mr. Chairman, because I am predicting that the beef industry market will pick up. There are a shortage of numbers in the United States which actually sets our market price. The Minister of Agriculture says he sure hopes so. It will take him off the hook with his Treasury Board because he won't have to get the funds; but what won't take him off the hook, Mr. Chairman, if he wants to be on the hook with the cattle producers that's where he will be, because they're going to be paying exorbitant amounts of money into the Beef Stabilization Program without any chance of getting any funds back from the province.

Well, the Minister of Highways is quite correct, they don't have to stay in, and that will be another question for the Minister of Agriculture. How many, to this point, have opted out? I know there have been a substantial amount talking about opting out. That will prove whether his program is any good or not. I don't mind bringing that forward because that's the test of time. We introduced the Hog Program that actually took the test of time and 80 percent of the eligible hogs that were produced in the province were enrolled in that program. It was a stabilization program and the Minister cannot deny it.

Mr. Chairman, another point that I want to raise and it's a major concern to the beef producers - I hope my colleagues are smiling because they can just see where they're going to be in government after the next election and can straighten these concerns out - I want to raise the problem that some of the producers are bringing to my attention and this is the place I have to do it,

that they are concerned that they deliver feeder cattle to an auction mart, and that those cheques are all sent to the Marketing Commission for the deductions to be taken off of them. I don't know, Mr. Chairman, whether the Minister cannot do it any other way, but it is a major concern because, if a producer delivers cattle he normally wants the cheque in his pocket, either the day he drives home or one or two days later; that's why he sells the cattle, Mr. Chairman. He doesn't sell them so that the cheque can be sent to the bureaucracy in Winnipeg, and then some three or four weeks later sent back to him. Now I don't know what the turnaround time is, Mr. Chairman, but I would ask the Minister again . . .

HON. B. URUSKI: Same as hogs.

MR. J. DOWNEY: The same as hogs; well what are hogs?

HON. B. URUSKI: 8 to 10 days.

MR. J. URUSKI: 8 to 10 days.

MR. H. ENNS: Then stretched to 12 and 14 days, Easter Monday it's 18 days.

MR. J. DOWNEY: The Minister is now saying it's 10 to 12. I will check it out further with some of the producers who have brought this concern to my attention, but the principle, Mr. Chairman, is that they are not getting their money.

They weren't told that, Mr. Chairman, when they signed into the program, that their cheques would be sent to Winnipeg or to some central agency; all the deductions taken off and they sent their cheques back several days later; they weren't told that. Now maybe they weren't able to be told it, maybe they weren't, but I do think it is a pretty major concern of those producers who have to make a payment tomorrow; they sell their cattle today and where's the money? Well it's gone to Winnipeg. The banker says, "Well, you told me you'd have your money here today, but it isn't there, and how much are you getting back?" They don't know, so it is a concern to the farmers because, the beef producer, as much as you may want to say, sure, he stepped up for a handout, he needed that handout, Mr. Chairman.

You may say he is no longer a free enterpriser. Mr. Chairman, he still is a free enterpriser and the freer you make the money, the more enterprising he will be. That's precisely it; the freer you make the money, the more enterprising he will be, and I think that they are still going to be the individual group who will teach this government the kind of lesson that they deserve to get and it will settle out over the next one, two or three years of the operation of this Beef Program.

Again, Mr. Chairman, the Minister did not address, when he introduced this Stabilization Program, the many thousands of beef cattle that were fed in feedlots; who is still now saying to the Minister, but you've helped the cow-calf producer, you've helped those people that are feeding their cattle at home, or you're saying you're helping them; but what about the jobs; what about the grain that is bought by the commercial feedlots; what

about those individuals who are today going to the marketplace and finding - and I'm telling you this, Mr. Chairman - that the feeder cattle that they're buying to put in their feedlots are being sold to Quebec, or Ontario, or Alberta, all those provinces that got a payout on a per head basis of \$50 a head. Alberta paid \$50 a head for their feedlot subsidy; Quebec are paying a guaranteed return for their slaughter cattle, which the cost of the purchase of that feeder animal is, as well, calculated into it; Saskatchewan are doing the same thing; Ontario paid a \$45 or \$50 a head payout to their feedlot industry; but Manitoba's feedlot industry, Mr. Chairman, are not getting one bit of support from this Provincial Government.

Those people are going to the marketplace, Mr. Chairman, and having to bid against, to purchase feeder animals, bid against the other subsidized provinces and I'll bet you that right now, if they were to buy feeder cattle, they would automatically be locking in \$100 a head loss. So what are they going to do, Mr. Chairman? They're not going to buy those feeder cattle; they're going to be empty, they're not going to buy feed grain; they're not going to employ people; they're not going to provide slaughter cattle for the packinghouse industry in Manitoba that the Minister of Agriculture said his program was going to provide.

Mr. Chairman, this Minister has failed to deal with all the beef cattle industry. The Minister of Municipal Affairs said, "How many went out of business?" Mr. Chairman, when I was in office, I challenge the Minister of Municipal Affairs to name one feedlot operator that went out of business when I was in office. I challenge him to name one. Stand, I will sit down for a minute if he will stand, tell us the numbers, tell us who they were, Mr. Chairman.

A MEMBER: Not one.

MR. J. DOWNEY: Not one, Mr. Chairman.

A MEMBER: They were empty, no cattle in them.

MR. J. DOWNEY: Not true. The Minister of Municipal Affairs is misleading, again, the people of Manitoba. He hasn't been able to stand in his place, Mr. Chairman, and name one that went out of business.

Mr. Chairman, I'm saying the Minister of Municipal Affairs is again misleading this Assembly; he can't name one feedlot producer. Mr. Chairman, what I'm telling the Minister of Agriculture is that why has he not seen fit to put a program in place for our feedlot operators who provide a large number of beef animals for the slaughterhouse industry? Why has he not provided funds for the beef feedlot industry so that they can buy feeder cattle in competition to those other subsidized provinces? Why has he not seen fit to put a program in place that would have helped the producers of feed grain in the Province of Manitoba? All these things, Mr. Chairman, are economic spinoffs.

MR. D. SCOTT: Spend some more money.

MR. J. DOWNEY: The individual from Inkster says, "Spend more money." No, Mr. Chairman, we're not saying spend more money. What I'm saying is repriorize

it, spend it properly. He committed \$40 million to the beef industry . . .

MR. H. ENNS: Spend less on the Marxists and more on agriculture.

MR. J. DOWNEY: \$40 million to the beef industry, Mr. Chairman, is what he put forward. Mr. Chairman, \$12 million would have given every beef producer a support program on a per head basis, as we had suggested should take place; \$12 million would have done it. If those figures are incorrect, then I ask the Minister, \$12 million-\$14 million would have given everybody a \$50 a head payout on the animals marketed a year ago. If I'm incorrect in those figures, I ask the Minister to correct me. I don't think I'm too far out, Mr. Chairman, because I remember the work that was done by a committee and by my staff, the department, prior to the change of government, that those were the kind of figures that I was being told, and if that is not correct then I would like to know because I think it's fair for me to be told the change if there is.

Mr. Chairman, the Minister, I would hope would take some of these comments as positive suggestions. I would hope that he can justify why he's been able to do the things he has done. I think that the beef producers will tell the government whether they're happy with the program by the numbers of people that continue to participate. I say that, Mr. Chairman, because I think that there will be an awful lot of producers that will be opting out at their first opportunity; they will get the maximum benefit that they see is available to them and then they will go ahead on their own, as they initially wanted to do from Day One, Mr. Chairman.

The Marketing Board aspect of it is certainly not a desirable part of this program and, again, I want to emphasize, as was our party's position from Day One, that we did not feel that the compulsory marketing of stabilized beef was an essential part of it, that it was forced participation. We don't feel that was a necessary thing. If the Minister can answer some of my concerns, then I will probably recommend that some of my colleagues put their concerns forward.

HON. B. URUSKI: Mr. Chairman, just a few points that the honourable member has raised in terms of the program.

Mr. Chairman, the member, I believe does realize that this program is a long term program to the beef industry. The member well knows that we are having discussions with the feedlot industry in attempts to see what assistance we can provide in terms of income stability, in addition to what is already available under the present plan.

The honourable member didn't make mention that under the stabilization plan, there certainly is room for farmers who are raising yearlings, to custom feed those yearlings at feedlots. I know that the feedlot operators would only be too glad to place animals on a per pound gain price into feedlots, and that is and has been available under this program from Day One. What the honourable member alludes to in his remarks is that we should have a stabilization program of its own for the feedlot industry, Mr. Chairman.

We are having discussions and there are proposals being worked on with the feedlot industry examining the feasibility of that and the cost implications and the premiums associated with it, Mr. Chairman. We haven't finalized that area to see what it means to the government and to the treasury as a whole. But certainly this plan does not leave out the feedlot industry at the present time.

Mr. Chairman, the member mentioned that farmers are paying an awful lot of money into a plan now that prices are high. Mr. Chairman, that was known and envisaged when the plan was put into place. The premium structure that was developed was, in fact, very close, if not near identical to the premium structure of a plan that was presented to him, Mr. Chairman; was being worked on by the cattle producers themselves. In fact, Mr. Chairman, the proposal to him would have been no assistance from the government to help the beef industry. We'll fund it alone in an income assurance type plan, Mr. Chairman. They were not elected and a plan similar to that that was being prepared for his consideration was presented to us, which we worked on and modified. But in terms of the premium structure, Mr. Chairman, they're I would say virtually identical in terms of the time span within the proposals made and the premiums associated with that proposal.

There's no doubt that when prices are high, exceed the insured value, there is a pool of money being set aside for a period of time for that producer when market prices fall below his insured price. In fact, that is part of the program, to even out and stabilize incomes. Mr. Chairman, if producers decide in their wisdom that they ultimately do not want long term stability of their incomes, obviously, they will choose to opt out of the plan and they will, as some producers have been prepared to stay out of the plan and not join. They're prepared to live with the present situation and go their own way. They will have to make their own decisions as to whether they want long-term stability, or they're prepared to live with instability on the basis of their own management decisions, Mr. Chairman. That is basically the plan as it is and is envisaged.

It's not magic, Mr. Chairman. There's no hocus pocus about any income assurance plan. What you're trying to do is take in and estimate and, in fact, it's a guesstimate on the setting of any kind of premiums, whether it's insurance for automobiles; whether it's for beef, any kind of a premium is not an exact science. All you're doing is taking probabilities, averages over the years and attempting to arrive at a figure that can meet the best projections available. Even that, from time to time, is wrong. We know that. The Member for Lakeside who was Minister responsible for the Manitoba Public Insurance for awhile, knows that himself that rating is not an exact science, and the setting of premiums is not an exact science. Frankly, I hope that we come to that point that the fund would be high enough that we would be able to reduce the premiums in terms of the premiums levied by the producers. Frankly speaking, having a look at past history, Mr. Chairman, I venture to say it will be very difficult to achieve that.

MR. DEPUTY CHAIRMAN, Mr. H. Harapiak: The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, the Minister has made reference to the funding of the program and the hope that he would be able to expect most of the funds to come from producers rather than a support program, as I'm sure — (Interjection) — Well, he says 2 percent. He also makes reference to the fact that the program that was introduced was one which was being prepared for me. I really wasn't overly aware of that, Mr. Chairman, because what was being recommended and basically understood by me was the request and the desire for the beef producers to get a straight payout on a per head basis. That was the message that I was getting, not a proposal to implement a Beef Stabilization Program with marketing powers and all those things. That was not in the books as far as I was concerned. — (Interjection) — Well, the committee that I set up, Mr. Chairman, was one that he fired — (Interjection) — and then implemented his own people to come back with recommendations. I wasn't there, Mr. Chairman, to get the recommendations.

Basically, Mr. Chairman, the understanding that I was getting directly from the beef producers was that they wanted a straight payout on a per head basis. That was, Mr. Chairman, no secret about that. — (Interjection) — Yes, that was right and the Minister can't implicate me that I'm a great supporter of his program because really I'm not. I've got some basic problems with it. I'm prepared to let it take the test of time. If the beef producers because of the numbers that this Minister's indicated has signed up that everybody's happy with it, then let's watch it work. Let's see how he performs. Let's see if it provides the kind of stability that they're looking for. If it doesn't, Mr. Chairman, I expect the Minister to stand up and make those necessary changes that will make it work. But if he's strictly hung up on the philosophy of implementing a Marketing Board and it's some kind of a meat authority, then it won't work, because he hasn't done it on a clear, open basis, Mr. Chairman.

I want to talk a little bit, or at least acknowledge, Mr. Chairman, the fact there was a good hog marketing program or Stabilization Program in place when he came into office. The numbers of producers that were participating in it proved the worthiness of it. He recently made an announcement, without telling the House, and I say this, without telling the House, in the introduction of the Estimates, that there was specifically funds in here. I think it's a million dollars for a hog program. If it's somewhat different than that, he can explain it, but a million dollars was put in as a tip of the hat for the hog industry. Not a meaningful program, Mr. Chairman, but just a kind of a nod to the hog producers saying we're prepared to take your funds in a hog stabilization payment, we'll put in 2 percent, you put in 4 percent. We'll run a savings account for you, is basically what they are doing.

They left a break in time, Mr. Chairman. They let ours play out, the one that we had in place ended in December I believe, and it took them three or four months to put their own people in place. They fired our committee and then put their own hacks in place and then recommended that they have another program.

Well, I guess, Mr. Chairman, the fact that they have to sign up for four years if they enter it; the fact that they've got to pay 4 percent of their income versus 2

percent of the government, you know, I would ask the Minister at this point, how many hog producers to date have signed up in the new program? Ten, did I hear?

HON. B. URUSKI: Mr. Chairman, the forms aren't even out yet in terms of the contract.

MR. J. DOWNEY: That's even worse, Mr. Chairman. A month ago, Mr. Chairman, they made a big to-do about a hog stabilization program, when the producers were receiving 75 to 80 dollars a hundred. But, now at 65 to 70 dollars a hundred, the producers should be getting something out of it, there are no forms ready, Mr. Chairman. What do we have, Mr. Chairman? We have an admission of a government who is unable, incapable of putting — (Interjection) — well, the Minister says it doesn't start till the 1st of May. Well, Mr. Chairman, I would hope then that the Minister makes it retroactive. Is he going to make it retroactive, Mr. Chairman?

HON. B. URUSKI: Mr. Chairman, the program was announced to begin the 1st of May based on the recommendations received and the committee, in fact, went around and discussed the program at the district hog board meetings just several weeks ago, I think, just ended about a week ago, explaining the program to hog producers during which time the contracts and the forms are being worked on and the administrative details put into place with the Hog Board. The member wishes to know what monies are available. There is a \$1,050,000 in the Budget to cover the cost of the provincial portion of the premiums and \$50,000 to cover the administrative costs with a \$5 million capital item in the Capital Bill that is being prepared to cover the guarantees to the fund.

MR. J. DOWNEY: Mr. Chairman, what the Minister is saying is that all the funds that are going to be used in stabilization are not declared in this particular fund, that there will be supplementary Capital funds being asked for at some point in the future. When is the Minister saying he is going to give us the total amount of money that the Department of Agriculture needs for the operation of the department.

He tells us that communications increases were 25 percent. He is now underestimating the amount of money in the Income Insurance Fund. We're debating the Department of Agriculture Estimates. What is he running, Mr. Chairman. Is he running it off the back of a cigarette box? It is hard to determine how many funds are being flowed through the department and how. — (Interjection) — that's right, he increases the wages of communications employees, and then he lets them go. Mr. Chairman, I cannot figure out the operation of the Minister of Agriculture and I am sure that the farmers will figure him out when it comes time to vote the next time.

The Minister has indicated, the Minister of Municipal Affairs who isn't able to name one feedlot that went out of business during our term, is pretty good at speaking from his seat, but not from his feet. Mr. Chairman, the Minister has indicated that there is a \$5 million loan guarantee to be included in the Estimates of the Department of Agriculture that will come in in Capital Supply. Is that correct?

HON. B. URUSKI: Mr. Chairman, the member should be aware that we did pass an Interim Capital Supply Bill at the same time as we passed Interim Supply for the House, at which time there were capital funds voted for the Beef Stabilization Plan. The Capital Supply authority required for the hog plan — (Interjection) — it was here, Mr. Chairman, the bill was debated in this House. The Honourable Member for Arthur would have been - I will refrain from using language that I would want to. The honourable member was aware that the bill was here. In fact, questions were raised by his House Leader dealing with the Beef Income Assurance Plan, the hog Capital Supply will be coming forward at a later bill.

MR. J. DOWNEY: Mr. Chairman, I would just suggest that both the Hog Stabilization Program, as well as the Beef Stabilization Program, will be put to the test of the producers. They will indicate in the numbers of people that sign up for hogs, sign up or continue to be signed up for the Beef Program, will test the confidence that the producers have in this particular program. We are prepared, Mr. Chairman, to pass this Estimate with that kind of scrutiny that the producers are going to be providing, plus the scrutiny of all my colleagues who have continually had a very sincere and deep interest in the livestock producers in the province. Hopefully, Mr. Chairman, it works better than the National Grain Stabilization Program that the producers have found themselves paying into but never receiving anything out of. That, Mr. Chairman, I think is what this Minister of Agriculture will find his programs doing, pay into by the producers, but no pay out by the province. We will be watching, as will the producers, Mr. Chairman, very carefully.

MR. DEPUTY CHAIRMAN: Resolution No. 16 — the Member for Roblin-Russell.

MR. W. McKENZIE: Mr. Chairman, I just have a few questions I would like to ask the Honourable Minister. I was wondering on the old Beef Program, the \$400,000, are you going to pay the interest to these producers on that 400,000 - or to the province rather. Are they being charged interest? Or is it under the old contract?

MR. CHAIRMAN, Mr. P. Eyles: Mr. Minister.

HON. B. URUSKI: That will be part of the consideration when the decision will be made.

MR. W. McKENZIE: Mr. Chairman, I was wondering, where the Federal Beef Assurance Plan is. What's the Federal Minister talking; what will happen to this plan if Mr. Whelan brings his plan in? There's still a lot of discussion in the country and the Federal Minister as well, is still making waves as if he's intending to bring forth, I was wondering, what the Minister's comments at the last time he met the Honourable Federal Minister, regarding the National Beef Plan?

HON. B. URUSKI: Mr. Chairman, I read the newspapers as well as the honourable member. We're advised that there is some plan that has been approved. What it is, we have yet to see the terms of the plan. The Minister

did not see fit to attend a Provincial Ministers meeting in Toronto several weeks ago, and we would have hoped that at least he would have come and sat with the Provincial Ministers to discuss some of his views regarding stabilization. At this point in time, we have yet to await the federal plan. We are having some preliminary work done by the provinces themselves in this regard, but we're moving very slowly in this respect.

MR. CHAIRMAN: The Member for Roblin-Russell.

MR. A. McKENZIE: Thank you, Mr. Chairman. One other question a lot of the beef producers are asking is the Minister prepared to have the members of the commission elected rather than appointed?

HON. B. URUSKI: Mr. Chairman, that's something that we certainly are considering. In terms of timing, I can't give the member timing. The committee that established the terms for this plan had recommended that an Advisory Committee to the commission be elected, and those kinds of discussions are, I believe, going to be carried on by the commission in terms of meetings that they will be holding with producers and get some feeling from producers on that. That's certainly not out of the realm.

MR. CHAIRMAN: Item No. 9—pass; Resolution No. 16:

RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,560,000 for Agriculture, Income Insurance Fund, for the fiscal year ending the 31st day of March, 1984—pass.

Item 1.(a) Minister's Salary - the Member for Lakeside.

MR. H. ENNS: Mr. Chairman, I think the Minister of Agriculture can and surely will, because at times he is an honourable man and will recognize that we in the opposition have dealt with these Estimates responsibly and I might say with some dispatch, if indeed he checks the record with respect to the hours that we have spent on agriculture in previous years. Therefore, we have allowed ourselves some time to engage the Minister more directly on his salary, which is a wide open debate in which all the members can participate and which we intend to participate in really examining this Minister's views, this Minister's philosophy, with respect to agriculture. It's in that vein that I would like to make really what possibly could be described as kind of a futuristic speech; a speech that concerns me about the future of agriculture; a concern that I have particularly about this government and this Minister about how they are prepared to cope with the future in agriculture.

Mr. Chairman, agriculture is not immune to some of the kind of fundamental changes that have taken place in so many aspects of our society. It's happened in virtually all other walks of life and we fool ourselves if we think it's not going to happen to agriculture. I'd like to spend a little bit of time this evening in talking about a revolution that's upon us in agriculture, and one that I'm not so sure the Minister of Agriculture has spent a great deal of time worrying about and, more importantly, I doubt whether or not we are equipping ourselves structurally to cope with that revolution. I'm talking about the biological revolution that is occurring

in its first steps in agriculture and will make itself felt manifest in a very real way in the next little while.

Mr. Chairman, we've had since the mid '60s what is commonly referred to as "the green revolution" in agriculture which went through various technological, genetical breakthroughs, hybrid grains. Massive applications of chemical fertilizers produced what is now known as "the green revolution." Mr. Chairman, before we say that revolution hasn't produced all what it was thought to produce, let me put on the record that what it did do was stave off the dire predictions of the doom and gloom sayers in this country about world famine. It has, in fact, produced those extra hundreds of millions of bushels of grain, corn, in this continent and indeed in other parts of the world that have, as I say, staved off those predictions about world famine that were being fed to us in the late '50s, the '60s, and even to this day.

Mr. Chairman, I can refer to this only in the same kind of context that we talk about the kind of revolution that has taken place and there we're experiencing in the computer business, the silicon revolution, if you like. It was my opportunity to watch, Mr. Chairman, just before I left for the Session at 1:30, - I only had half my face shaved - and I realized that the Challenger was blasting off from Cape Canaveral, sent four astronauts off to space, and to be able to just view the phenomena of what was made possible by this silicon chip, by the micro-computer. Mr. Chairman, it was only a few decades ago that the kind of mathematics involved, the kind of problems involved in guidance, control, and so forth, would have filled this room and twice over in terms of computer size. We have seen in our immediate lifetime that being reduced to a thumb nail, micro-computer chip.

Mr. Chairman, agriculture is facing a biological revolution and I would like to refer to that briefly. Mr. Chairman, I happen to be one of those people that honestly believes that anything the human can think, can dream about, the human being is capable of achieving. That's not an original thought; somebody much smarter than I thought about that, but I want you to believe that I believe that. Anything the human mind is capable of thinking about, the human being, we are capable of achieving. If we can think about it, if we can dream about it, we can do it. It wasn't that long ago a young President Kennedy said, hey, I would like to have man walk on the surface of the moon. He thought about it, he dreamed about it, and ten years later men were walking on the surface of the moon.

So when I talk to you, Mr. Chairman, or when I refer to you about what's happening in the biological revolution that is taking place, I'd like to refer - you, Sir, may be excused - I know that it'll grate the natural anti-American bias that, unfortunately, is . . . , but I have to refer to the U.S. News and World Report, dated March 28, 1983 that talks about spawning new forms of life. Now the payoff starts. Mr. Chairman, before you rule me out of order, I'm talking about agriculture because, among other things, and there are, of course, many things that the new biotechnology is going to touch on. It has the capability of doing what nature has done for thousands of years. Biotechnology has been at work in the making of cheese, in the making of beer, in the making of many other natural products, organic products.

We're talking organically, but what we are now talking about, Mr. Chairman, and what is now happening is, that genetically engineered human insulin is already on the market and that is probably the most striking example of what's happening. Mr. Chairman, do you realize that to supply the need for insulin, for those people suffering from diabetes, it took, up to now, the pancreas of some 56 million animals. I'll quote from the article: "Previously insulin was derived exclusively from the pig and cattle pancreatic glands, supplied from slaughter houses, to produce just one pound of animal insulin. Enough to maintain 750 diabetics for one year required 8,000 pounds of glands from 23,500 animals. In 1981 alone the glands of 56 million animals were required to meet the insulin demands for the U.S. alone." That is all out of the window, in a lab that is now being biotechnologically engineered and those glands are not going to be needed anymore.

More important to the Estimates of Agriculture, "Scientists believe that eventually they will develop food crops that can grow on salty soils, resist insects without the help of pesticides and even provide their own essential fertilizer or nutrient requirements."

Mr. Chairman, just about the time when many of our environmentalists rightfully are concerned about the amount of herbicides, the amount of chemical fertilizers that we are spreading on our acres, science is finding the answer. "On cattle and dairy ranches, all female herds nurtured from hand-picked embryos, will reach the size of elephants and produce more milk and calves, while genetically altered steers will grow to full maturity in only six months."

Mr. Chairman, this isn't just fanciful thinking because our American friends happen to be hard-nosed businessmen. So intense is the enthusiasm for the potential of the new technology that dozens of companies have stampeded into the field in the last five years and investors have flooded money into the fledgling industry.

Today, Genetic Engineering News, a paper dedicated to this field, lists some 146 biotechnology firms in the United States. The United States Patent and Trademark Office has approved more than 3,000 biotechnologically-related patents, and applications for hundreds more are being filed yearly. Sales of products could reach between 150 million and 3 billion in 1987. So, Mr. Chairman, we're not talking about something that is being just dreamt about in advanced science fiction laboratories - it's happening. Hard-nosed businessmen are putting their money into it.

In fact, the industry experts draw parallels between the invention of the silicone chip and the breaking of the genetic code, noting that computers are another high-tech product that got off to a slow start. As biotechnology gears up they say the economic spinoffs will multiply just as they have in electronics.

Mr. Chairman, there's a point that I want to reach when I talk about all these things. What are we doing; what is this Minister doing; what is his department doing? Because there are as many, and the article I must say has an offsetting article that talks about the problems associated with this new revolution, as there are always problems associated with the revolution. There are very serious problems associated with the Green Revolution, but introducing the kind of intensive farming, the kind of pressure on the land, the kind of

pressure on the resources, particularly in the Third World Countries, as to whether they could sustain that kind of intensive farming program that the Green Revolution demanded.

So the same thing can be said about what I'm talking about now. There are certainly very serious moral questions to be asked, particularly as we move from agriculture to human genetic engineering, and this is what we're talking about.

But we're talking in the Department of Agriculture, and I want to know that at least my Minister of Agriculture, and our Department of Agriculture, is having a listening post into what is happening to the partner, the country that we are living next to, that we are trading with, and who, as we just witnessed a little while ago, if they make a decision on agriculture, if they decide to withdraw 82 million acres of land from production, it has an immediate effect on the price of wheat here in Manitoba, in Saskatchewan, in Canada. We cannot avoid the consequences of what our cousins are doing south of the 49th parallel.

So I'm concerned when they say that today's cattle farmers are using test tube breeding, cloning and embryo engineering to produce cows that are more resistant to disease, eat less food, produce more milk, more meat and grow to marketable size in six months. Already it is possible to produce a dairy cow as big as an elephant and capable of yielding 45,000 lbs. of milk compared to the average 15,000 lbs. of a typical animal today.

The fastest growing technology is embryo transfer which produces about 50,000 calves a year, now that's happening right now, 50,000 calves are being produced in North America right now by embryo transfer. You know, Mr. Chairman, I raise a few cattle every once in awhile and I know the Honourable Minister is involved in the Beef Program. Do you know that when his Beef Commission wants to send 100 or 200 animals out he's got to send three, four or five semi-trailers to move them. Do you know, Mr. Chairman, that it's possible to move a herd of 2,000 cows as carry-on luggage when you go on an Air Canada jet and put it under your seat? You can move 2,000 cows that way.

A MEMBER: How many does it take to clean the plane afterwards?

MR. H. ENNS: Instead of getting one calf a year out of a top quality cow we can get hundreds during the cow's lifetime and this is happening today.

Furthermore, ranchers will be able to predict the sex of the cattle. In the future, if I want steers, I'll get steers. If I want females, I'll have females.

HON. B. URUSKI: You do the same thing now.

MR. H. ENNS: No. No, you can't do that. No, no, come on. Mr. Chairman, obviously the Minister . . .

HON. B. URUSKI: No, you can have your semen tested. My goodness!

MR. H. ENNS: The semen does not tell you the sex of the calf. All what semen testing tells you is that it's fertile. That's all it tells you.

HON. B. URUSKI: It can tell you the sex . . .

MR. H. ENNS: Well, I would ask the honourable member to think twice about that. This is still in tomorrow's technology. If the Minister has the technique, if the Minister can tell me that he can produce all bull calves for me, then he's withholding very valuable information from the ranchers across Manitoba. He can't tell that, but they will in the future. They cannot do it in Manitoba, Mr. Chairman.

Mr. Chairman, I'm raising these questions. Some of the most interesting things are happening in the plant biotechnology. I will show the Minister. It's going to present a problem for him, because they have developed successfully a pomato plant which grows tomatoes on top and potatoes on the bottom. The trouble with this Minister is potatoes are covered under our Marketing Board and tomatoes aren't. How's he going to resolve a farmer that puts in 400 acres of pomatoes — (Interjection)—

MR. CHAIRMAN: Order please. The Member for Turtle Mountain.

MR. B. RANSOM: What's this member doing speaking from my seat?

MR. CHAIRMAN: The Member for Lakeside.

MR. H. ENNS: Well, Mr. Chairman, I was occupying that neutral ground between the Member for Turtle Mountain and my seat. I was actually referring to my mike, I want you to know, at all times that I was making these comments.

Well, Mr. Chairman, I say to you seriously; I say to the Honourable Minister seriously; I doubt whether he will accept this seriously. What I am concerned about is the way that we are structured agriculturally speaking in this province, and I don't want this to be construed, Mr. Chairman, as an attack on our marketing boards - marketing boards have their role, have their play - I'm not at all sure, Mr. Chairman, as to how Canadian agriculture will withstand the biological revolution that is taking place just across the 49th parallel by our major trading partner, by the biggest agricultural machine that this world has seen and produced, and which many believe will in fact be the basis that will see the United States in the forefront for the coming decades in the world, if you like.

I'm concerned about Canadian agriculture; at least keep a listening post, at least contact, at least be aware of what's happening in this area, because certainly from the reports from some of the initial results, they are indeed mind boggling. What do we do in Canada, for instance, when the Americans produce a strain of wheat, cereal crops, that requires no chemical fertilizer; that has that genetically built into it? It supplies its own nutrients; it requires no herbicides. When the American production of these crops is 50 percent, 100 percent, 200 percent lower than ours, and our farmers still have to sell their wheat for \$6, \$7, or \$8 to meet production costs, what do we do? What do we do when American beef or livestock production is such that it can so substantially outproduce Canadian producers? Have we got a stake in this revolution? Are we listening to it? Are we structurally set up to adapt to it?

The American system is fundamentally different than ours. I know the Minister's position; I know the New Democratic Party's position; as indeed I know the United Church's position on such things as plant breeder's rights. Whether we like it or not - and I'm not prepared to get into that argument or that debate - when the Americans come up with what they have already come up with - here, let me give you another little gem. The Agricultural Department working with the Agrigenetics Corporation - and they're working with companies - has inserted a gene from a French green bean into the sunflower; the resulting sunbean. They've produced a sunbean. So, instead of the little sunflower seeds that we grow in our sunflowers, the Americans are growing sunflowers, not with the little sunflower seed in there but with a bean in it; quadrupling, double quadrupling the product, the quality, and the oil from that same plant. How are we going to compete with that kind of market? — (Interjection) — Oh yes, all these things can reproduce themselves. I'm concerned that honourable members opposite just aren't prepared to even allow their minds to think and to worry about these concepts. That's part of the problem because socialists have this problem. — (Interjection) — No, you have this problem.

I can remember the last argument that I had on this scale was with a former colleague of yours, a respected Member for Wellington, Reverend Petursson. He used to tell us just at the time when he was leaving, '72-73, the oil crisis was upon us, the energy crisis was upon us, and I remember one particular speech where he talked about the time when there'd be no more autos, no more cars. What are we going to do when the oil ran out? Everything would come to a screeching halt. It reminds me of that report and believe me, there is an actual report on file with the United States Department of Transportation that was concerned at the turn of the century about the - this is prior to the automobile, and the big cities, Chicago, New York, were growing up but they had so many horses - there was actually a serious report written that said if we don't do something about this problem by the year 1933 the streets of Chicago will be under 33 feet of horse fertilizer. Remember that? Of course, that never happened because the horse went its way, the automobile came and the automobile has produced its problems. The automobile problems will be solved as well, they are being solved, we are reducing the pollution content it's very likely, also, through the biological revolution, they intend to induce bacteria into the wells that will eat the sulphur - the polluting makeup of the basic crude so that it is quite possible that in the future oil, if it's still required, will be relatively pollution-free as far as the big pollution questions that we are concerned with, acid rain, pollutants in automobiles and so forth.

Mr. Chairman, I'm concerned that this Minister of Agriculture and this government is not going to acknowledge that this is taking place across the line. I would like to engage him in a debate on this to some extent. I would like to know, for instance, to what extent is he furthering senior members of his department to make themselves aware of what's happening in the biological revolution? Are there any members of his staff attending any seminars, are any members of his staff making trips to American centres? — (Interjection) — Well, Mr. Chairman, I'm not so sure. Mr. Chairman,

it's a scientific area but it's happening in real life in agriculture. — (Interjection) — 53,000 calves this year alone were being born by, what I call, the biological revolution, Mr. Chairman.

Crops are being genetically conceived that our Canadian farmers are going to have to compete with and more importantly I'm not prepared to say that we have to, and obviously we won't, because as I say we are structured differently that we have to follow the American mode. The American mode has private companies, private investment money that is now being poured into this area because they are motivated by that dirty little word, profit, and there will be tremendous profits to be made. That's the business of the Americans and that's the business of the American investor. All I'm saying, though, is that they are going to be producing products that my farmers in the constituency of Lakeside will have to compete with, Canadian farmers are going to have to compete with and if an American farmer can grow wheat that requires no chemical fertilizer, requires no pesticides, and my Department of Agriculture has done nothing about it, then my farmer is in trouble.

HON. B. URUSKI: It's usually the other way around.

MR. H. ENNS: Well, Mr. Chairman, as I said, it's one of the opportunities that one has on the Minister's Salary to make a futuristic kind of speech. I'm not suggesting that it's now upon us, it is there, I've quoted from a reasonably reputable article that indicates how serious it is but I'm not at all satisfied and I'd like to hear from the Minister what he is doing or whether he has thought about it and how that matches with the kind of protective steps that we are taking in Canadian agriculture. I say protective, Mr. Chairman, because so many of our plans in Canadian agriculture are to protect current producer's quota, current producer's rights to production, and that's true of the dairy farmer, that's true of the vegetable farmer, that's true of the broiler and chicken producer.

Mr. Chairman, if I want to get into the dairy business, cows don't cost me money, even the barn doesn't cost me money, the land doesn't cost me. You know what costs me the most money, Mr. Chairman, is to buy the right to buy quota. I have to buy somebody else that is now in the business, I have to buy - if he has a 50,000 pound quota I have to pay \$50,000 or \$100,000 for that quota right. That's what I talk about the kind of protective agricultural system that we've developed in Canada.

The United States has worked a little differently. The United States has worked far more on the entrepreneurial system and any company, any group of entrepreneurs, get together, fund a young brilliant chemist, biologist, somebody that has an idea, and then produce the resulting product. As I said, there are hundreds of companies now in the business, Mr. Chairman, in the United States that are pouring millions of dollars into that business. They are doing it because they foresee a lucrative business and good profits in that business. The business that I'm talking about is agriculture. The business that I'm talking about is food production. The business that I'm talking about - producing eggs - what do we do if the Americans find

a way of producing eggs at 30 cents a dozen and make a dollar at it, how long do you think the people in Montreal or in Toronto are going to insist on buying Canadian eggs at \$1.25 a dozen when they are available 30 miles across the border for 40 cents a dozen. How long do you think Canadians and — I remind you, I speak as a farmer, but Canadians are essentially an urban society, farmers don't have political clout. Eighty percent of our population is urban. Why should we ask people in Winnipeg or in Toronto and Montreal to pay \$1.40 for a chicken when it can be had for 60 cents. The cost of living is a big thing in this country, why should Canadians be asked to pay \$3.00 for a pound of beef when it's available for \$1.25. — (Interjection) — I'm very careful, very careful, that's what worries me about what is happening here. If the Americans are producing through the biological revolution cows that grow to elephant size, Mr. Chairman, I'm speaking directly to my Minister, I'm speaking about the future of an industry that I'm involved in, I'm speaking about the farmers of Manitoba. I'm not talking small politics now, I'm not running for election. — (Interjection) — No. Mr. Chairman, I'm talking about a concern that I have about Canadian agriculture, about Manitoba farmers — (Interjection) — Well, Mr. Chairman, on the other hand perhaps I should run for election because if I can guarantee 80 percent of Canadians that I can cut their cost of living down by 50 percent — that's not a bad ticket to run on either — if I can guarantee Manitobans that they can buy their eggs for 50 cents a dozen, they can buy their chicken for 60 cents, they can buy their milk for 60 cents a quart, that's not a bad ticket to run on either.

Well, the Honourable Minister is obviously prepared to play politics with this little game rather than address the question seriously. All I am telling the Honourable Minister, Mr. Chairman, is that we find time and again, we've heard it in this Chamber, we've heard it from this Minister, we certainly hear it from our Federal Minister that it's those damn Americans with their big stockpile of grain and corn that are depressing world prices of grain. It's the Americans that are prepared to maybe get into a price war on grain with the European economy, with some of our customers that are preventing Canadians from shipping their fair share of grain.

All I can tell you, Mr. Chairman, is that the politics put aside, if the Americans keep on doing this successfully, and we bury our head in the sand and are not part of this biological revolution, we could be in serious trouble. We could be in very serious trouble. I think part of the responsibility of a Minister of Agriculture, quite aside from worrying about the day-to-day politics, quite aside from worrying about getting re-elected; there is a specific responsibility of the Minister of Agriculture, to utilize, to use his staff to develop expertise within his staff. And to hire the necessary expertise in his staff so that the Department of Agriculture in Manitoba, is always on top of things, abreast of things. It is not a question of necessarily joining things that are happening in other parts of the world, but we want to be aware of them because they have a direct impact on the future of Manitoba farmers.

I am not getting this from the Minister. I invite, during the course of the debate on the Minister's Salary, that the Minister at least satisfy me that he is aware of

what's happening, particularly in the U.S. in this regard. By the way, it is principally the U.S. where this is happening. It is happening other places — (Interjection) — not really, no, that's a misnomer. These kind of things happen in the United States and then other countries, copy them, quite frankly, through espionage, steal it. That's true — (Interjection) — that's true, but, Mr. Chairman, it's not by accident. It is not by accident that the major drive, the major push in this field is happening in the United States. Why it's not by accident, because of course, there is room for the initiative and for the private entrepreneurial experience to be rewarded. That's why it's happening principally there.

I would just as soon wish it would happen somewhere else. But, it's happening, principally there and they are our major trading partners. They will be the ones that we will have to deal with.

I want the Honourable Minister to tell me that somewhere along the line, somewhere in his Estimates, he has time to concern himself with this subject because it is my belief, Mr. Chairman, that Manitoba farmers will be faced with it. I would like to think that first of all Manitoba farmers will not be excluded from the benefits, if they see benefits in various forms of it. Although, I can see that we structurally may be prevented from deriving full benefits of it. When I say structurally, I say the way we are set up — (Interjection) — no, no, no, legislatively, Marketing Boards-wise. A chicken producer, a broiler producer, egg producer gets his quota from a Board. So the incentive to develop these kind of new techniques is not there. If he has his quota, the quota is provincial-wide, it's nationwide, it's guaranteed, nobody else can get in. It excludes, it precludes the kind of effort, investment to make the kind of breakthroughs that our American cousins are doing in certain fields. In fact, it mitigates against them.

I encourage the Honourable Minister to tell me that's not so. I encourage the Minister to tell me that it's not so, I encourage to have the Minister to tell me that if a current holder of an egg contract, if through some application of the biological revolution I refer to he can quadruple his egg production inside of a year, that our current structure will be able to cope with that. That he will not be penalized for that.

I don't quite frankly see that's possible because I understand the marketing. But, what I am telling the honourable member opposite, what I am telling the Minister is that this is happening. This going to happen with a frightening increase in development over the next few years. — (Interjection) —

Mr. Chairman, the Minister wants to debate from his seat and I can only encourage him to do it when he next rises to speak in defence of his salary. I am tempted to say, Mr. Chairman, that we should probably move the traditional motion, of reducing the salary of the Minister to \$1, but I am not going to do that. I am not going to do that.

I think the Minister was on this side of the House, when I was Minister of Agriculture, well I know that the Honourable Minister of Transportation was, and I don't know whether he moved it, but he voted. He said that my salary should be reduced to 99 cents. Would you believe it, 99 cents, not even a dollar. That was pre-inflation days, I must admit.

A MEMBER: You'd be so happy with that now, wouldn't you?

MR. H. ENNS: Mr. Chairman, the Honourable Minister of Agriculture treats the subject lightly. I am not treating it with a great deal of - I don't want to overemphasize the situation, but I can simply tell you this that the reading that I have done on the subject matter, is both exciting, but also very disturbing in a sense that it could very substantially alter patterns of agricultural production in our country as we see it. It could very substantially alter what we, I think all of us acknowledge as being kind of a foundation in terms of our belief in the family farm. There is such a fundamental difference. This is really the final point that I want to leave with the Minister. There is such a fundamental difference between our country's approach to agriculture and the American approach to agriculture. There is a very fundamental difference and I am not prepared to pass many aspects of the programs, the policies that I think we can be very proud of, that I think are very appropriate. But being appropriate, or being proud of it, is not going to save us from being subject to the pressures of a different kind of an approach to agriculture that is being exercised and being developed in the United States. That's really the point that I want to make.

If we think we have trading problems now, those millions of dollars being poured into the biological revolution; those new companies that are being formed, and they're being formed at the rate of hundreds a year - and it's companies that are forming this. The American farmer has a different relationship to that. It's not government; it's not co-operatives; these are private-funded companies that see a profit to be made in producing a better calf, in producing a better strain of soya bean meal, or oilseed crop, or cereal crop.

I may argue with him about what that does to the traditional farming industry. What I doubt whether I can argue with him is their results, and it's the results that we're going to have to compete with. — (Interjection) — Never mind, it's the results we're going to have to compete with. I'm not so sure that the Canadian treasury, or the Manitoba treasury, can in fact compete with it. If that's the case then I, at least, demand of my Department of Agriculture that it be on top of it; that he be able to report to us from time to time; that he has people attending the necessary developments as they take place; he has staff people fully aware that they can bring that expertise to the various commodity groups that we have, the different broiler groups, the cereal groups, the livestock groups including in his own staff, because we cannot escape the developments that are taking place across the line.

MR. CHAIRMAN: The Minister of Agriculture.

HON. B. URUSKI: Thank you, Mr. Chairman, I certainly would just like to make a few comments to the Member for Lakeside. I appreciate sincerely the comments he has made about agriculture and where he feels some of the most crucial areas lie in terms of the future for agriculture.

Mr. Chairman, I, unlike the Member for Lakeside, am not as pessimistic in terms of our response and in terms of our capabilities in this country to deal with some of the major issues, not only facing agriculture, but the development for agriculture in the area that he speaks of, the biological revolution.

You see, the Member for Lakeside, I believe, is hung up more than I thought he was on the whole question of capital return, and profit for profit sake, notwithstanding the question of development and research and technology into agriculture. Mr. Chairman, I have more faith in the present system we have in this country; that it can, not only withstand the technological revolution, but be able to take advantage of it with its benefits, and be able to judge and try to, as best it can, remove some of the problems associated with it and take only the best that comes with it. I have no difficulty with that.

The member talks about Marketing Boards and quotas as producers being only engrained in the area of - here's our quota; this is all we will produce; that's all we need to produce. Mr. Chairman, there is maybe not quite as much in the forefront of development, but followup on the Canadian side, more so than I think the member gives credit to, in terms of farmers; in terms of the scientists; in terms of the university community. Mr. Chairman, in our own industry, in terms of the evolution of the breeding process and the development in the breeding areas in the poultry industry, there have been tremendous strides in the poultry industry in this area that I am involved in.

For instance, in the poultry industry, we've been artificially breeding for two decades, Mr. Chairman. If you go around this country and you talk to people and say, you're artificially breeding poultry, and we say for two decades, they say where have we been. The area of microbiotics in the poultry industry in the carrying of disease from the bird through the eggshell into the embryo of production, that kind of research and development is going on. I appreciate the honourable member's comments in those areas.

Mr. Chairman, I believe that the future does not lie primarily in the area of making a dollar of the profit motive. The area of advancement occurs in the dedication of men and women through our universities, through our schools of learning, who want to make sure that we improve the quality of life, the productivity; and that's where the enhancement occurs, Mr. Chairman. The member talked about the Green Revolution as being so all encompassing and we have gained so much, Mr. Chairman. What is the down side? Mr. Chairman, the Green Revolution, were we able to maximize and increase our production or yield per acre in terms of grain production over the last 50 years? We didn't, Mr. Chairman.

Mr. Chairman, if you look at the grain crops and the average crops of this Province of Manitoba and look at the input cost today and what they were at the turn of the century, we have not gained. What have we gained? We have gained at the expense of the farmer, Mr. Chairman, not that he doesn't need the technology now to survive, but look at the expense side of the ledger. We are now trying to find ways and means of reducing those input costs in a way that will still produce the necessary crops that are necessary to feed the hungry world, but not to continually maintain the ways we have been going in the past, Mr. Chairman. We haven't gained.

You look at the statistics of the grain crops that are primarily produced across this nation, Mr. Chairman. We have poured in, we are pouring in, input cost upon input cost and have we gained that tremendously, that

tremendously in terms of return per bushel per acre? Let the honourable member just look at the average statistics of wheat, oats and barley, for example. Mr. Chairman, we have not gained that much, but we have learned. I think we have learned a great deal that we probably don't want to move completely on the system that is south of the border in many of our industries, Mr. Chairman. We probably could, but I don't think we, in general, in terms of the way agriculture directly, physically is, we wouldn't want to go that way.

Technologically, we would want to examine what is happening. Mr. Chairman, the honourable member does not make a valid case when he talks about exports and percentage of exports based on agriculture.

Mr. Chairman, the member well knows that the increased production in the United States, over the last decade, of new land is primarily land that has been put into place and has basically caused some of the problems that we have in terms of over supply of grain on the world market. Nothing else but putting new land into production; not an increased amount of production, it is putting in land that was held vacant or in other uses, that there was some incentive to those producers at the time the world market prices were up and producers moved into production.

But Mr. Chairman, that will be the lands that will be the first out of production because the input costs are so high, with the return prices being so low they will be out of that productivity. It will not be the revolution of technology that will have created that, it will be the returns from investment by those producers.

But I accept, Mr. Chairman, the challenge that the member has put forward in terms of saying to us; are we, in this country, able to sustain the kind of development that is happening in the United States.

Mr. Chairman, I don't believe we can. I don't believe we can go as far as the Americans, and precisely for the question of population; precisely for the question of population in terms of this country's population and what the producers here are able to produce in terms of quantity of product versus the Americans who, in many commodities, are barely self-sufficient, Mr. Chairman. With the exception of grain products many of the other products - while there are exports and imports, they meet their own needs, Mr. Chairman - but you're looking at basically what? 200 million people, versus 25 million people.

There is no doubt that population has a lot to do with the availability of capital into the technological areas and the amount of people involved in those areas, but I don't believe that it is only one area that will produce the kind of technology, and that is strictly the profit motive, and that was what the honourable member was alluding to. I don't believe that that's the case. I believe that there is, in this country, as well as in every country, dedicated men and women who wish to advance the scientific knowledge of their communities in the development, and it will be those minds, those inquisitive minds, those minds who will want to say, we want to do something for humanity. Those will be the minds that will produce, Mr. Chairman, and it will not be because they will be able to get a million dollar royalty, or \$10 million salary from Company A for the production or the enhancement of those products; it will be the desire to do this on behalf of the people of that nation.

MR. J. DOWNEY: Committee rise, Mr. Chairman.

MR. CHAIRMAN: Committee rise.