

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 10 July, 1986.

Time — 2:00 p.m.

OPENING PRAYER by Madam Speaker.

MADAM SPEAKER, Hon. M. Phillips: Presenting Petitions . . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MADAM SPEAKER: The Honourable Member for Elmwood.

MR. J. MALOWAY: Madam Speaker, I beg to present the Third Report of the Committee on Economic Development.

MR. CLERK, W. Remnant: Your Committee met on Tuesday, July 8, 1986, to consider the Annual Reports of Manitoba Mineral Resources Ltd. and Manitoba Oil and Gas Corporation.

Messrs. P.R. Brockington, Chairperson of the Board, and C. Malcolm Wright, President, provided such information as was requested in respect to the Annual Report and the business of Manitoba Mineral Resources Ltd.

Messrs. Robert Silver, Chairman of the Board, and John R. Sadler, President, provided such information as was requested in respect to the Annual Report and the business of Manitoba Oil and Gas Corporation.

Your Committee considered the Annual Reports of Manitoba Mineral Resources Ltd. and Manitoba Oil and Gas Corporation for the fiscal year ended December 31, 1985 and adopted the same as presented.

All of which is respectfully submitted.

MADAM SPEAKER: The Honourable Member for Elmwood.

MR. J. MALOWAY: Madam Speaker, I move, seconded by the Honourable Member for Kildonan, that the Report of the Committee be received.

MOTION presented and carried.

MADAM SPEAKER: Ministerial Statements and Tabling of Reports . . . Notices of Motion . . .

INTRODUCTION OF BILLS

HON. A. MACKLING introduced, by leave, Bill No. 38, An Act to amend The Securities Act; Loi modifiant la Loi sur les valeurs mobilières.

HON. V. SCHROEDER introduced, by leave, Bill No. 39, An Act to amend The Manitoba Energy Authority Act; Loi modifiant la Loi sur la Régie de l'énergie du Manitoba.

HON. A. MACKLING introduced, by leave, Bill No. 40, An Act to amend The Corporations Act; Loi modifiant la Loi sur les corporations.

HON. J. STORIE introduced, by leave, Bill No. 41, An Act to amend The Private Trade-Schools Act; Loi modifiant la Loi sur les écoles de métiers privées.

MADAM SPEAKER: Before moving to Oral Questions, I have a few comments to make to the House.

SPEAKER'S RULING

MADAM SPEAKER: In reviewing Hansard of yesterday, and taking the Honourable Opposition House Leader's matter of privilege into consideration, I wish to quote from Beauchesne Citation 117, which says:

"When he rises to preserve order or to give a ruling he must always be heard in silence. No member may rise when the Speaker is standing. Reflections upon the character or actions of the Speaker may be punished as breaches of privilege. His actions cannot be criticized incidentally in debate or upon any form of proceeding except by way of a substantive motion.

"Confidence in the impartiality of the Speaker is an indispensable condition of the successful working of procedure, and many conventions exist which have as their object, not only to ensure the impartiality of the Speaker, but also to ensure that his impartiality is recognized."

The member's motion is not a substantive motion, and therefore is out of order.

However, I am confident that all members share my concern for the preservation of order and decorum in the House, and for the manner in which the high office which I occupy must be viewed by all members.

If, in attempting to carry out my duties as presiding officer, I have inadvertently offended the Honourable Member for Pembina, or any other member of this House, I offer my sincere apologies.

I am seriously concerned, however, as I'm sure most members are, that the Business of the House is conducted in an orderly fashion, therefore, I would like to invite both House Leaders to meet with me at their earliest convenience to consider ways of achieving this mutual goal.

ORAL QUESTIONS

Remand Centre - suicide

MADAM SPEAKER: The Honourable Member for Rhineland.

MR. A. BROWN: Thank you, Madam Speaker, my question is to the Minister of Community Services and Corrections.

A few weeks ago a child died because of sexual abuse and lack of action by the Minister's department, who had been notified of this abuse. Now surely the department must take some responsibility.

My question to the Minister is regarding the suicide at the Remand Centre the day before yesterday. Again, the court was told that this woman was suicidal. Why

is there such a complete lack of communication in the Minister's department which does not forward this information to the proper authorities?

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, whenever an event, either to a child or someone in the correctional system, such as this occurs, it is indeed a tragedy and no stone is left unturned, no steps unexamined to see whether there would be any action that could have been taken, or that could be required or built into the procedure in future to prevent such a tragedy.

In the case of the person at the Remand Centre, the individual was on a 15-minute check. She was a disturbed person who had been in and out of both the mental health and corrections systems on many occasions. I guess it's a reflection on the state of our wisdom, in this instance, that none of the systems were able to provide the support or the preventive actions to stop this particular event.

The event occurred in a cell shared by another woman within the 15-minute regular check period. There is a thorough inquest and investigation going on. The doctor that serves the correctional system was, in fact, very near at hand and on the spot within half-a-minute and was still not able to resuscitate the individual. I can assure the House that these situations are taken very, very seriously and any corrective measure that we can possibly take will be taken. But it still does seem to be an unfortunate fact in a lot of our human service systems that 100 percent protection or prevention is not within our grasp.

MR. A. BROWN: My question is to the same Minister. Can the Minister tell me, to date how many suicides have we had at the Remand Centre?

HON. M. SMITH: Madam Speaker, I'll take that question as notice. I would appreciate knowing what time frame the member is asking about, but I can certainly get that information for him.

MR. A. BROWN: A supplementary, Madam Speaker. Can the Minister tell me what action she is going to take when her department is notified that a person is suicidal? What action is she going to take to have any further suicides like this put under check so that they don't happen again.

HON. M. SMITH: Madam Speaker, the procedures that have been followed are when there is any indication of disturbance, or evidence of suicidal tendency, the person is either put on 15-minute checks, and any offending materials removed, although again, because almost any article of clothing or bedding can be turned to this use and, I guess, the physical structure of a relatively outmoded facility like the Remand Centre is not completely free of protuberances or bars or whatever that can be used if a person is bent on suicide. Some of the new structures that we have looked at are closer to being hanging-proof, but not completely.

The procedure is to give them a medical check when they enter and where there is any misgiving to put them

on regular supervision. In this case, the person was under 15-minute supervision, was in a cell with another person, and on the check just prior to the incident was not actually in the cell, was out possibly in the bathroom. So, again, any procedures that can possibly be suggested or proposed, we will put into place.

We've been greatly strengthening the procedures in that regard and we have a nurse now located on the floor with the inmates at the Remand Centre. We have, in fact, had in the past referred this particular woman to the psychiatric services and she had, in fact, received a great variety of services from the existing mental health services, and the correctional systems, and the alcohol abuse systems. Again, I don't have the wisdom to know whether we are ever going to be able to prevent these incidents in all cases, but I certainly intend to bend my efforts to seeing if we can come as close as possible to that result.

Unfortunately, we do have individuals who are so troubled that often the only choices are a complete incarceration for life or complete support in the community. In this case, as I say, there did not seem to be an appropriate service available that could handle her range of disturbances. In the long run, it may be that the mental health field will come up with some better advice in programming for us in this area, but it does point out the great complexity of cases that do confront us as a community.

MR. A. BROWN: My question is to the same Minister, and I wonder if she has ever considered closed circuit so that one person can monitor all these cells and react immediately when an effort such as this was attempted.

HON. M. SMITH: There is a degree of closed-circuit monitoring at the Remand Centre. I don't know if we've ever had any incident in the Women's Section before, and I can't at this point say whether it has as thorough closed circuit as the other sections, but there's quite a bank of television screens that are available under regular scrutiny. In some of the more, well I guess in planning for the new Remand Centre, no doubt we will have an improved capacity for that sort of monitoring. But there is quite a bit of closed-circuit TV available.

Expo 86 Office - trade opportunities

MADAM SPEAKER: The Honourable Member for Portage la Prairie.

MR. E. CONNERY: Yes, thank you, Madam Speaker. To the Minister of Industry, Trade and Technology. On July 8 the Minister said in the House that the province invests in product development, in product sales, and assisting our manufacturers to sell products, but a member of his staff at Expo, Barry Mitchell, says that our booth is attracting less than 150 people per day, while Saskatchewan is attracting 17,000, Alberta 12,000 and B.C. over 30,000. In light of us having less than one percent traffic at our booth, how does the Minister explain, or how are we to attain our share of world markets and investment?

MADAM SPEAKER: The Honourable Minister of Industry, Trade and Technology.

HON. V. SCHROEDER: Thank you, Madam Speaker. I'll try to explain it to the member one more time. The numbers he has quoted for Saskatchewan and Alberta, as his leader would well know, having visited Expo recently, have to do with on-site at Expo pavilions. That has nothing to do with the business section. In Canada Place, which is not on-site, and where Alberta and Saskatchewan have their trade development officers in the same way that Manitoba does, and certainly Saskatchewan and Alberta have nowhere near those kinds of numbers at their business development centres. They're somewhat similar to Manitoba's. I don't have the numbers, but you're confusing the situation, one being Canada Place, where we have basically the Trade Show, where we are doing not badly, 150 people a day and some fairly interesting prospects, and the site at Expo itself where you have tourists going through and looking for a good time.

MR. E. CONNERY: Yes, I think the figures speak for themselves, Madam Speaker. I'd ask the Minister also, how can we demonstrate to the outside interests that we are a province that is leading in transportation research and employment if we don't have a real visible presence at this Trade Fair?

HON. V. SCHROEDER: I don't think the honourable member understands, probably chooses not to understand. He's not quoting Saskatchewan or Alberta's or anybody else's numbers at the Trade Show, in comparison to Manitoba's. I don't know what their numbers are, but they're certainly nothing significantly different from Manitoba's because, basically, it's the same people in the same area of the same building. They're going from one place to another and it simply is not anything logical to compare what business people are doing in that building to what tourists are doing a mile down the road. And in that building, where we have business people coming, as an example he's mentioned, I believe, farm equipment, when the farm equipment period of that exposition comes on we have our farm equipment manufacturers there. We have trade officers there to discuss with people interested in those lines of equipment any business that we can do with them, something that isn't done by those thousands of tourists. We're zeroing in on business interests and we're zeroing in on those particular areas at that trade show which are on at any given time.

Employment - Education Faculty graduates

MADAM SPEAKER: The Honourable Member for Ellice.

MR. H. SMITH: Thank you, Madam Speaker, my question is for the Honourable Minister of Education. It's prompted by the article I read in today's paper. Could the Minister of Education inform the House of the employment situation in Manitoba for recent teaching graduates?

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Madam Speaker, I can tell the honourable member that, as a result of his question

and notice of his question and also as a result of an article that was in a paper this morning, I did have staff review the question of employment of graduating teachers.

I can only tell the member that in 1985, approximately 82 percent of those who responded to an employment survey indicated they had found full-time employment. There were a number of others who found part-time employment and substitute teaching. I don't expect that the numbers will be significantly different at this time.

I would indicate as well that we are experiencing, and school divisions in remote parts, northern parts of Manitoba, are experiencing a very difficult time in attracting teachers. Over the last couple of years, as I visited schools, particularly in Northern Manitoba and those schools relating to Frontier School Division, I found up to 50 percent and 60 percent of the teachers employed were from outside of the Province of Manitoba, and that's indeed unfortunate.

So while there is certainly not 100 percent employment and it's true that graduates would have to look for employment, there are opportunities out there for graduates of our Faculty of Education.

MR. H. SMITH: A supplementary question, does the Department of Education offer counselling assistance to those Manitoba graduates waiting to travel to Northern and remote areas to gain experience and prove their abilities?

HON. J. STORIE: No, Madam Speaker, the Department of Education does not. However, the department does work in conjunction with the Faculty of Education to give students at the Faculty of Education who wish to experience teaching in a rural area an opportunity to do so. There are some practicum experiences offered through the Faculty of Education, which have been supported by school divisions in the province and the Department of Education.

Brandon University - surplus funds

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, my question is directed to the Minister of Education. The Minister may know that Brandon University had an accumulated surplus of \$512,247 in March of 1985, money left unspent by individual faculties, and a similar surplus this year. In view of the fact that this is the money to be used to settle a breach-of-contract lawsuit with fired President, Dr. Harold Perkins, I ask the Minister, were these funds hoarded by the board of governors with a view to using them to settle with Dr. Perkins, thereby starving the university in terms of programs, staff, increased tuition fees, test markers, papers, supplies and so forth?

MADAM SPEAKER: That question is not within the administrative responsibility of the Minister.

The Honourable Opposition House Leader.

MR. G. MERCIER: Madam Speaker, on a point of order, the University of Brandon Board of Governors, the

majority of that board are appointed by the Minister and the government. The government is the prime provider of funds to the University of Brandon. By your point of order, Madam Speaker, you are virtually ruling out any questions from this side of the House to the Minister with regard to any of the universities or post-secondary education facilities in Manitoba, Madam Speaker. I would therefore ask you to reconsider your point of order.

MADAM SPEAKER: The honourable member is welcome to rephrase his question. My understanding is that the board of any university is an autonomous body in terms of the way they hoard or do not hoard money.

He could rephrase his question to ask if the Minister would discuss with the board, would investigate, etc., etc., and he's most welcome to rephrase his question. The way it was phrased was out of order.

The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, under the rules that you are attempting to set down, or the interpretation you are attempting to put on the rules, we could not have asked a single question on the firing of Dr. Perkins last year, a matter that consumed considerable time in this House in discussion in question period.

I submit to you that anything that involves the operation of the university, since it is both funded by and its board is appointed by this administration, is within the administrative competence of this Minister.

MADAM SPEAKER: I thank those members for their advice. The Honourable Member for Brandon West is welcome to rephrase his question and there are many ways a member can phrase their question to achieve an answer to their satisfaction. That particular question was not phrased appropriately.

The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, the Minister told us on Monday that he had discussions with the chairperson of the Board of Governors of Brandon University, so I ask the Minister if this is within his knowledge? Were those funds hoarded by the board of governors with a view to using them to settle with Dr. Perkins?

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Madam Speaker, I did indicate that I had had a discussion, a phone conversation, with the chairman of the board of governors some time ago, where it was indicated to me that the discussions were ongoing with regard to a settlement. I indicated the province's concern and, particularly I suppose, concerns that would be addressed to the Universities Grants Commission.

I indicated to him that the province would not be in a position to provide additional funds for a settlement. He indicated to me that he did not see that as a problem. I understand that in 1984, I believe, that some funds were set aside for legal costs for what, at that time, it was assumed would be a legal battle. However, my

understanding was that surplus was not set aside for that purpose, a specific sum of \$500,000, as the member quoted.

MR. J. McCRAE: Madam Speaker, I have a new question for the Minister.

The report of the Provincial Auditor for the year ending March 31, 1985, sets out, under Note 12, that no funds were allocated or set aside for the purpose of this contingent liability.

Madam Speaker, on July 3, last Thursday, a settlement between Brandon University and Dr. Perkins was announced in the media in Brandon. On June 4, Madam Speaker, a notice of discontinuance. . . Sorry, on July 4, last Friday, a notice of discontinuance, in the case of Dr. Perkins versus Professor Errol Black was filed with the Queen's Bench in Brandon. That notice of discontinuance was dated June 4, but filed July 4, the day after the announcement of the settlement.

Are funds administered by Brandon University, on behalf of the people of Manitoba, being used to settle a lawsuit between Dr. Perkins and this private individual?

HON. J. STORIE: Madam Speaker, I certainly hope not, but I will be investigating that suggestion.

MR. J. McCRAE: A supplementary question, Madam Speaker. Will the Minister ask the Provincial Auditor to investigate whether there has been mismanagement and a misappropriation of funds, to the detriment of the university and to the detriment of the people of Manitoba, and as to whether that misappropriation and mismanagement are the responsibility of the Board of Governors of Brandon University?

HON. J. STORIE: Madam Speaker, I believe the Member for Brandon West does a disservice to Brandon University in that request.

There is no evidence whatsoever, whatsoever, to suggest that. Madam Speaker, I have indicated that I would take the specific allegation — and I believe it is that, a spurious allegation I believe — but I will take that allegation and bring it up to those in positions of responsibility, including the chairman, if I can contact him. But I believe, Madam Speaker, that the auditors that carry out the work for Brandon University would be in a position to indicate whether there have been any misuse, or any other term for that, in the normal course of events, and that has certainly not occurred. I do not have any reason to suspect that is the case.

MR. J. McCRAE: A final supplementary question, Madam Speaker.

In order to prevent any allegations that cannot be backed up, in order to prevent the rumour that is flying around Brandon about the specifics of this settlement, will the Minister please ask the board of governors to make public the terms of that settlement so that we can put this matter to rest

HON. J. STORIE: Madam Speaker, I have answered that already. I believe that when I have a chance to bring it up to the chairman and the board of governors, I will be discussing whether there is in fact any legal, practical reason why that can't be done.

I do not have knowledge of the details of the agreement or the arrangements that were made between the parties and I do not want to jeopardize, nor do I believe the Member for Brandon West wants to jeopardize what, for all intents and purposes, resolves the matter and commence a new wrangle at Brandon University.

It, the Brandon University, doesn't need that, the community doesn't need that, the faculty doesn't need that, Madam Speaker, and I don't think it would be in the best interests of any of those groups to start that.

Manitoba Beef Plan - contracts and support prices

MADAM SPEAKER: The Honourable Member for Virden.

MR. G. FINDLAY: Thank you, Madam Speaker. My question is to the Minister of Agriculture.

The Manitoba Beef Plan consists of support prices and premium levels. Under Section 4(4) of the contract that each producer signed somewhere in the past four years, and I quote, "The Commission shall adjust the support prices for each class of stabilization animals effective January 1 and July 1 each year."

Consistent with the contract, the Commission reduced support levels on July 1, 1986, by \$2 to \$3.50 cwt live. On July 3, 1986, two days later, each Beef Plan contract holder had mailed to him a certified letter offering him a choice of two alternatives. Alternative one asked the producer to voluntarily accept a support level decline of \$7.50 cwt live. My question to the Minister is this: is this action consistent with Section 4(4) of the contract that specifies January 1 and July 1 for support level changes?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, I believe that the actions put forward by the Commission are in fact consistent with the contract.

The honourable member should be aware that the changes that are made on January 1 and July 1, and have been made consistently since the plan began in September of 1982, are that to use the cost of production formula that is there, and those are the changes that are made at that time, relative to the impacts of the costs of production on the support level.

The premium structure which the member speaks about, those premiums can be changed at any time by the Commission and have been done so from time to time, although some of them may have coincided with the dates that the support levels are changed, notwithstanding I believe that the option, and it is an option that producers have, either by allowing the premiums to go up as they would normally, by Commission or der or, in fact, by allowing the premiums to drop, as they would drop. For example, in the case of slaughter animals there would be a 25 percent drop in premiums, relative to the \$7.50 drop in support, which is a 5 percent drop in support level. That's the kind of options given or, except of course, the increase in the premium that was put forward by the Commission

going from, in that level, from 12 percent to 18.3 percent.

MR. G. FINDLAY: Madam Speaker, my question relates to support prices.

Support prices were changed on both July 1 and July 3. Based on cost of production, I would ask the Minister if the cost of production input figures changed that much in those two days.

HON. B. URUSKI: Madam Speaker, I don't believe the honourable member understands the process, maybe I'll explain it to him again.

The support price and the cost of production formula was reflected in the change made on July 1. The changes that are recommended, put forward to the producers by the Beef Commission, are in fact to deal with the whole question of the program being actuarially sound.

Madam Speaker, honourable members opposite last year, his own colleagues, were so very concerned and were telling producers maybe they should join the federal plan and that the deficit was going too high. In fact, just yesterday, Madam Speaker, we had an emergency debate in this House telling us that our credit rating is in jeopardy because the deficit is too high.

Today, the Commission is trying to deal with this question in terms of the producers over a long period of time because obviously they haven't been that far out. Four years of a program, and to make this kind of adjustment in four years shows that the program, even though the deficit is quite great, wasn't that far out because what you're seeing here, Madam Speaker, is basically about a 5 percent to 8 percent reduction in support level by the program, with a corresponding reduction of between 25 percent and 33 percent in the premium level.

MR. G. FINDLAY: Again, to the same Minister. Given that the alternative one is a very major change in the predicted cashflows that many farmers did in the past few months for their farm operation this year, will he delay the implementation of these massive changes in support level from September 1, 1986 to January 1, 1987?

HON. B. URUSKI: Madam Speaker, I should advise my honourable friend that this matter, the whole matter of the deficit and premium structure and alternatives, were discussed with producers in 1985 during that year, during Spring meetings held by the Commission. There was no move made during 1985 to make any major changes in the premium structure and, as a result, the Commission, at this point in time, is in fact moving ahead to try and deal with the deficit question and, in fact, Madam Speaker, the support levels, although they have in fact dropped some 5 percent for slaughter and by this move about 8 percent for yearlings, calves by 7.6 percent, are in the same range as they were in 1982 and, of course, reflective by the cost of production formula, that change is there.

Madam Speaker, the honourable member should also recall that they were the ones that were recommending to producers to join the federal plan during the spring election that we just went through. So that producers

would not take a, as in this case, a \$7.50 per cwt reduction, but a \$20 per cwt weight reduction and producers of Manitoba rejected that option.

MR. G. FINDLAY: Given that on June 23 the Minister of Agriculture declined the National Tripartite Plan, declined Manitoba's participation in the beef component of that plan, because he said, at that time, based on what the producers said to him, that it netted less for the producers. This was done by a questionnaire put out to the producers last Spring. The basis of the questionnaire was that . . .

MADAM SPEAKER: Does the honourable member have a supplementary?

MR. G. FINDLAY: Yes. Based on what the Minister has just said, I think we need some explanation. The questionnaire was answered on the basis that \$9 per cwt less would be received by joining the national plan . . .

MADAM SPEAKER: Order please. The honourable member knows that a supplementary (a) does not need a preamble and question period is not a time for debate, nor is the member to be giving information, it is to be seeking information.

MR. G. FINDLAY: Thank you, Madam Speaker, could I ask a new question of the Minister in a related area?

MADAM SPEAKER: Certainly. The Honourable Member for Virden with a new related question.

MR. G. FINDLAY: Thank you, Madam Speaker.

Given that on June 23 the Minister of Agriculture declined, on behalf of the province, that it would join the National Tripartite Beef Plan because of information he received in a questionnaire that was given to producers in this past spring. The questionnaire was based on facts that indicated that the Manitoba producer would receive \$9 per cwt less live by taking the federal plan, as opposed to the provincial plan. Given, Madam Speaker, now that the provincial plan is going to net the producer \$11 per cwt less than it was just a month ago, is he now prepared to reconsider that decision and allow Manitoba producers to enter the National Tripartite Plan and be benefit of the stabilization premiums that the federal plan will pay on behalf of Manitoba producers?

HON. B. URUSKI: Madam Speaker, the honourable member should be aware — and I mentioned this in the House before — that it took the Manitoba Government to go around, through the Beef Commission, to go and explain the federal plan. It should have been the federal administration going around and speaking with Manitoba and Canadian producers to explain their plan.

Madam Speaker, the levels of support — and I will get all the figures as to what the decline in support were — but my recollection was that during the meetings, the presentation made that there would be, on slaughter animals, a reduction of upwards to \$20 per cwt in support levels, not the figures that the

member quotes. Maybe he's quoting for another category of support, Madam Speaker, so I'm not aware of the numbers that he's using.

Clearly that the \$20 per cwt, which does not reflect the kind of support that the producers in Manitoba had, and producers judged their position on that basis. Madam Speaker, if in fact, producers of Manitoba now want to change their minds and indicate that they want join a federal plan, I want to tell my honourable friend that there certainly hasn't been an overwhelming, resounding support in provinces like Alberta and Ontario to join the federal plan. But, if Manitoba producers do indicate that they wish to join the federal plan, I will be the last to deny them that support in saying that there is an overwhelming support, let's go for the federal plan. We'd have to judge that, Madam Speaker.

Consumer/Mfg. disputes - protective legislation

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Thank you, Madam Speaker.

On July 3 the honourable member for Riel posed a question to me in connection with motor vehicle dispute arbitration dealing with the purchase of new automobiles. The information I have is that Ontario did not introduce legislation. It is a voluntary program that has been introduced by the automobile manufacturers — the dealers, I should say — which provides for voluntary arbitration. When we learned of this, the previous minister and the department made inquiry to determine whether or not the Canadian automobile dealers would be interested in developing a similar program here. They wanted to develop the program successfully in Ontario before they looked elsewhere.

The question of the need for that program may certainly still remain. We may well consider, at some time, if there isn't a voluntary program, looking at passing legislation. But I think all members would agree that if an industry can solve the problems itself and provide to a consumer's satisfactory judgement, then we shouldn't move in with legislation. So we'll monitor the situation very carefully.

Employment - French Immersion - graduates, Faculty of Education

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker. My question is to the Honourable Minister of Education.

In the article referred to earlier in this afternoon's session by the Honourable Member for Ellice, the point was made that the greatest need for teachers were in the area of French Immersion, a program clearly demanded by parents and not by the Department of Education of this province. Can the Minister tell the House what programs are presently in place to encourage our own French Immersion graduates to enter the Faculty of Education so they in turn can become the teachers of French Immersion students?

MADAM SPEAKER: The Honourable Minister for Education.

HON. J. STORIE: Thank you, Madam Speaker.

I'm pleased that the Member for River Heights pointed that particular fact out. I think it's important to recognize that the tremendous increase we have seen in requests for French-speaking teachers has been a result of the phenomenal increase in parent interest in having their children obtain a second language.

The Department of Education, in cooperation with the Federal Government, has a number of programs, and I would be more than happy to outline to the Member for River Heights those programs during Estimates, some of which are cost-shared with the Federal Government 50-50 and some of which are ongoing programs sponsored through the bureau in the Department of Education. But they're fairly lengthy and I don't think appropriate for question period material. I will, however, send the member a written response indicating all of the programs that are available.

Cariboo Lake Resort

MR. A. DRIEDGER: Madam Speaker, my question is to the Minister of Natural Resources and develops from complaints that have been brought forward by private citizens regarding the Cariboo Lake Resort lease site. The department has apparently now threatened to remove trailers which have been at Cariboo Lake for 15 years, when only two years ago these citizens registered letters informing them that they would not have to relocate, and since the overnight parking is negligible in the area, I would ask, would the Minister consider delaying this process of having them remove their trailers, or having his department moving them, and meeting with the aggrieved citizens to try and resolve this?

MADAM SPEAKER: The Honourable Minister of Natural Resources.

HON. L. HARAPIAK: Madam Speaker, I would like to take that as notice but, in taking it as notice, I would certainly indicate my willingness to meet with people on this matter, as we have been prepared to meet on various issues. I would like to make that offer in this Chamber and take that question as notice.

Migratory Bird Treaty

MR. A. DRIEDGER: I have a question on a different matter. On June 17 the Minister took a question as notice and I would like to, once again, ask him if he is aware of any Supreme Court of Canada ruling which would enable him, under the guise of ministerial prosecutorial discretion, to exempt or give special consideration to Treaty Indians charged under The Migratory Birds Convention Act?

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Madam Speaker, it is always open to an Attorney-General to examine cases on a case-

by-case basis, or one of the Crown Attorney's carrying the authority of the Attorney-General, to stay a proceeding in a particular case. It is not illegal, indeed out of the way, for a Minister in a particular department charged with the enforcement of a particular law or laws, to ask to examine charges that are being laid in order to establish departmental policy, or even to make recommendations to the Attorney-General, if he is so advised. What is true is that there cannot be, and I have often said that in this House, a blanket immunity granted from prosecution of the law to any group or groups or individual, if that is applicable.

And so one mustn't, I think, confuse the two issues, the granting of a blanket immunity, which is not permitted — that indeed was established in this province in the Catagas case in 1974, I think, by the Manitoba Court of Appeal, which also involved hunting rights of Native people. But there can be, in individual cases, whether it's with respect to Criminal Code offences or provincial regulatory offences, a stay of proceedings in individual cases.

MR. A. DRIEDGER: Yes, I don't know, Madam Speaker, who would be answering this but my question would be — which Minister would have the jurisdiction to make that decision as to whether the prosecution would proceed, the Minister of Natural Resources or the Attorney-General?

HON. R. PENNER: The Attorney-General.

MR. A. DRIEDGER: Thank you, Madam Speaker. That just raised another question then. Why would the Minister of Natural Resources then have it in his memo that any charges laid under this act here would have to come to his office?

MADAM SPEAKER: The Honourable Minister of Natural Resources.

HON. L. HARAPIAK: Madam Speaker, the Member for Emerson referred to that same item, I believe, when he made a point of grievance last week. I asked him at that time to table the document as he claims, he alleges, asks that the items be forwarded to me for the exercise of discretion by the Minister of Natural Resources. He is implying that same statement again. I have the document and he has a copy of the document. I think it clearly indicates that it simply asks for ministerial discretion. It does not reference the Minister of Natural Resources. So in that this is the second time that the Member for Emerson has made that point, I would ask for your advice on how the matter could be clarified, given the documents he has tabled, that it is not I, as the Minister of Natural Resources, who is referenced in that document.

MADAM SPEAKER: The time for Oral Questions has expired. I'm not clear as to whether the honourable minister was asking me to take on a task specifically.

HON. L. HARAPIAK: I'm simply asking for advice as to how it would be resolved because there is obviously a disagreement between the Member for Emerson and myself in terms of the content of that document.

MADAM SPEAKER: I'm not sure as to whether both members have this particular document. If the one they're referring to was one that was tabled and there's a dispute over the facts. If that's the case then a dispute over the facts is neither a point of order or something that the Speaker can solve.

ORDERS OF THE DAY

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: I wonder if I might have leave to make a non-political statement.

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

NON-POLITICAL STATEMENT

Mr. G. FILMON: Madam Speaker, today is Manitoba Day at Expo 86, as most members of this Chamber and all Manitobans are aware, and I want to take this occasion, Madam Speaker, to congratulate the 11,000 Manitobans and former Manitobans who today are celebrating Manitoba Day at Expo 86. In particular, I want to recognize the efforts of all those who were involved in organizing the event, the prominent Manitobans, such as, Jack Wells and Stephen Juba, who are going to be appearing at the celebrations in Expo and, of course, a prominent former Manitoban, Monty Hall, who as well will be lending his support through his presence there.

I congratulate them for their efforts in leading the celebration and ensuring that Manitoba is well publicized and well recognized as part of the Expo celebration.

HON. H. PAWLEY: Madam Speaker, I would certainly like to join in commending all those that are participating in Manitoba Day in British Columbia. I gather the festivities are there this evening. I would like to have been there but I, unlike some members, I've been unable to visit Expo but I would like to commend all those that are there and certainly the 11,000-12,000 Manitobans, former Manitobans, that will be participating in that event. I'm sure they will be enjoying themselves in recalling with fond memories the times they spent in the Province of Manitoba.

MR. R. NORDMAN: Madam Speaker, I'd like to correct the impression that the Minister of Industry and Trade has left in regard to the Manitoba booth at . . .

MADAM SPEAKER: Order please, there is no motion on the floor under which the honourable member can enter into a debate on that topic or any other at this moment.

MR. R. NORDMAN: I don't want to enter into a debate, Madam Speaker, I just want to clarify an impression that he has left.

MADAM SPEAKER: Order please, that is totally out of order.

HANSARD CORRECTION

MADAM SPEAKER: The Honourable Member for La Verendrye.

MR. H. PANKRATZ: Thank you, Madam Speaker. May I, at this time, make a correction to Hansard. Wednesday, July 9, on Page 1630 it reads "it often" and it should refer to Dauphin.

ORDERS OF THE DAY

BUSINESS OF THE HOUSE

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Yes, Madam Speaker. First, I would note that the Standing Committee did not complete its review of the Manitoba Telephone System report this morning, and will continue with that review on Tuesday next as had been suggested earlier.

I would now move, Madam Speaker, seconded by the Minister of Industry, Trade and Technology, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

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

MADAM SPEAKER: Mr. Chairperson of Committees.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY — INDUSTRY, TRADE AND TECHNOLOGY

MR. CHAIRMAN, M. Dolin: We are on Page 105, Resolution 104, Industry and Trade Division, 2.(b) — the Honourable Minister.

HON. V. SCHROEDER: Thank you, Mr. Chairman. Just further to the issue of the Trade Fair and our exhibition in Vancouver, I have, since we've had the discussion here and elsewhere, checked up again. I'm informed by people who have been manning our booth at Vancouver that we basically have about the same traffic in people per day at our trade show as Saskatchewan or Alberta. In fact, probably we have more, because ours is a location where more people go by.

MR. CHAIRMAN: The Member for Portage.

MR. E. CONNERY: This is in Canada Place, you say the trade show is?

HON. V. SCHROEDER: That's right.

MR. E. CONNERY: We have a 15 by 30 booth. What do we have at that sector? Could you explain what the various provinces have and what Manitoba has?

HON. V. SCHROEDER: We have a 300 square foot booth. I'm not familiar with the other provinces.

MR. E. CONNERY: This is in the Trade Fair sector. That's all we have is this 300 whatever sized booth it is. We have just visual displays there which you said before.

HON. V. SCHROEDER: I am told they're — well, I'm not going to get into the other provinces, but they're somewhat similar in size.

We have a variety of displays. Some are VCR-type shows, say, on buses in the province. There are cross-sections of railway rails at a given time, depending on who is there. Different exhibitors have different kinds of exhibits which they present to the public.

MR. CHAIRMAN: The Member for Portage, I might just suggest — I'll let the discussion go, since it's begun, that this would be more appropriate under 2.(c), which is Trade. We're on 2.(b), which is Industry, but if we're in agreement, you want to continue this line.

The Member for Portage.

MR. E. CONNERY: I don't see a heck a lot of difference between the two.

In the various pavilions, not having been there, and unfortunately since we're sitting we're not likely going to get there till Fall after the House is finished sitting. But within the various pavilions, I wonder if these provinces then have displays and so forth that would indicate the industry that there is in the various provinces. I'll have to talk to somebody. I don't know if the Minister has been there.

HON. V. SCHROEDER: I've been to Canada Place on my way to the airport from a Ministers' meeting. I haven't been to Expo, so I can't be your tour guide today. But I just re-emphasize that the place where business would expect to be having discussions with the various provinces is at Canada Place.

MR. F. JOHNSTON: Mr. Chairman, yesterday, or the day before yesterday, we had some discussion about the North American telemetry. What program, and I've looked at the programs that we have overall the Canada-Manitoba Economic Development Agreement, and I indicated that I thought it was under the Communications Program and I have the Communications Program here.

If it is under the Communications Program, what section is it being paid under, if I'm correct on that?

HON. V. SCHROEDER: Mr. Chairman, I'll get back to the member. It is correct that it's under the Communications and Culture sector of the agreement.

MR. F. JOHNSTON: How does that particular program — I know it's communications from the point of view of a new meter reading system — but how does it come up under that particular program?

HON. V. SCHROEDER: Mr. Chairman, I'm told that it's a communications device, that is why it winds up under Communications. That particular sector of the

agreement is wholly administered by the Federal Government. Overall, the program is 50-50 cost shared, but the administration in that instance is federal.

MR. F. JOHNSTON: Then it would likely be — there's only one administered wholly by the Federal Government and that's the Technology Applications Projects? Is that the one?

HON. V. SCHROEDER: I'm told staff isn't sure but they believe that's correct.

MR. F. JOHNSTON: So our participation, then, is basically in the overall agreement of the \$8 million, being a \$21 million agreement, so we all participate but this one is wholly Federal Government?

HON. V. SCHROEDER: That's correct.

MR. F. JOHNSTON: The machine industry in the province, Mr. Chairman, let's really boil it down to farm machinery. There have been discussions that surround the economy of the farm sector at the present time, but I believe that there is no question we've had some problems in the farm machinery industry. You had one, the Co-op, move to Portage la Prairie under a different name, and we now have these problems with Versatile.

What is the forecast or is there anything on the horizon to rebuild that farm machinery industry which was one of our top industries in the Province of Manitoba?

HON. V. SCHROEDER: I think the member's observations are obviously correct. It's been a difficult period of time for agricultural machinery manufacturers. In the last few years, we've seen especially grain prices drop. There are now the trade wars between the U.S. and Europe, and certainly Canadian farmers have been affected, but our manufacturers are very much selling into the U.S. market which has dropped very, very considerably.

I was at the opening of Serial Implements recently at Portage la Prairie. They seem to be quite optimistic that, notwithstanding those conditions, by specializing in dry land grain farming equipment, they will be able to continue to increase their proportion of North American farm machinery sales as they have been able to do over the last few years from Ontario.

We're still quite hopeful that the Versatile situation can, in the end, be a success story for Manitoba. If John Deere does come and manufacture its four-wheel drive tractors here, certainly, that will mean that employment there will continue on. I don't think I can say very much more.

MR. F. JOHNSTON: Correctly, we both agree that the farm economy hasn't been that good, but it is appearing that it's going to start to come back, although very slowly, if we are lucky enough to have a good crop this year.

The manufacturing in the farm machinery industry — and I would expand that to all types of farm machinery that is manufactured in Manitoba — the efforts that are being made to hold that business in Manitoba, although it's down at the present time, there

has been some very definite, I guess you'd call it, approaches made to some of our farm machinery people to locate elsewhere when they start to move back into production or bring their production up, etc.; in fact, some of the offers from the west and the south of us are very attractive.

Have we been staying on top of that situation from the point of view of keeping those manufacturers in the Province of Manitoba?

HON. V. SCHROEDER: Mr. Chairman, certainly, we are, as are those other jurisdictions, discussing with a variety of farm implement manufacturers the same thing — the proposition of coming to Manitoba. I don't have the numbers but over the last number of years, certainly, while we have suffered, there have been other areas that have suffered, I believe, proportionately more.

If you look at White and Massey in Ontario, as an example, they've gone through some fairly difficult times as well. I should say, as well, that in the whole area of trade that we have been quite aggressive in terms of promoting the equipment being manufactured here, be it in China where we've had some successes with I believe it's Simon-Day, Australia, the United States, Midwestern United States. We've been quite aggressive in that area, and we do have to keep in mind that the Manitoba agricultural market is a small proportion of the market we must address in order to keep our manufacturing up.

MR. F. JOHNSTON: In the transportation end of it, we have in the economic development agreements with the Federal Government a transportation development agreement.

Does that enter into our department or is it in another department?

HON. V. SCHROEDER: Mr. Chairman, IT and T is responsible only for bids on the urban bus portion of that agreement; and at the present time no funds have flowed out of that portion. I believe it's a \$50 million joint fund between the Federal and Provincial Governments. There are discussions going on and obviously there aren't that many manufacturers in that area of the province.

MR. F. JOHNSTON: When you speak of the Urban Bus Agreement, and there hasn't been any money flowed, were there no funds of the Urban Bus Development Agreement being used to help the technology at Flyer Industries?

HON. V. SCHROEDER: No, Mr. Chairman. I don't know of any discussions along those lines with them. As the member indicates, the fund is for the purpose of developing new products and processes related to urban transportation.

MR. F. JOHNSTON: Mr. Chairman, here we have a program that is effective on the fourth day of the sixth month, 1984. We are now two years into an agreement and I would ask the Minister, what are the plans?

Here we have a \$50 million signed agreement to do something in the development of urban buses. We've lost the bus manufacturing from Morris, Manitoba.

We've had problems with the Flyer bus, which is now taken over by somebody else.

I do recall some work being done over at the Technology Institute on a smaller type of bus. We've had the Minister of Highways discuss the development of a commuter bus for the tracks up North and we have not moved any of this \$50 million on the Urban Bus Development Agreement. Who are we going to be working with on this particular program, or are we going to be doing it all by ourselves?

HON. V. SCHROEDER: Mr. Chairman, we agreed, quite some time ago with the Federal Government, that we were going to hold up discussion — even of using those funds — until the problems at Flyer had been overcome.

Now that we are in a position where that hurdle has been cleared, our officials have been meeting, in fact, I'm told three times in the last month with their federal counterparts. I've had some meetings with people who have expressed an interest obviously in accessing those funds.

Again, the people who would be, in all likelihood, most likely to access those funds would be Motor Coach Industries and the new operation at Flyer, den Oudsten.

MR. F. JOHNSTON: Here we are. The words are very clear when I read this, Urban Bus Development. Now, Motor Coach, I guess, it's urban buses, I guess they travel from town to town, but urban bus development sounds to me as if it's buses for large urban areas that are being constructed to be used in different ways.

We are now then going to put money into the development of better buses or development of new buses in the Province of Manitoba, with the two companies or other companies that have been mentioned? I might add that Flyer's agreement has money in it for technology already that is supplied by the government. I just wonder if we are going to go into urban bus development if the government is intending to become involved in the bus business again with these funds or are they going to strictly work with industries that can show them they are working on a technology where the technology will be used for manufacturing in the Province of Manitoba.

MR. DEPUTY CHAIRMAN, H. Smith (Ellice): The Honourable Minister.

HON. V. SCHROEDER: On that last question, definitely we don't want to put money out where we're not going to have the manufacturing right here.

It is possible — I'm not aware of any discussions up until now — but there's always the possibility that there could be definitional changes which would allow us to provide funding for the development of inter-urban or inter-city buses, as opposed to urban buses as well; but MCI, although it's quite preliminary, have indicated that they are interested in diversification into the urban bus sector.

We were prepared to work with whoever comes up with a plan that appears to be technologically sound, where we — between the Federal and Provincial Governments, this is a jointly administered program — where we and the corporations involved would agree that it would be appropriate.

MR. DEPUTY CHAIRMAN: Committee rise.

(Recess)

MR. CHAIRMAN: We convene after that brief interruption.

The Member for Sturgeon Creek.

MR. F. JOHNSTON: We were talking about the urban bus development. The question I would have now is that the Minister indicates that we would be working with Motor Coach Industries with some urban bus development with them if the application is approved — I believe he said that — or discussions work out.

The fact that we have been working with Flyer Industries in the agreement that we will provide monies for technology for development of urban buses in the Province of Manitoba, we get into a very, very fine line of are we going to be taking our own money with another bus company and helping them to develop something that could be in competition to our own money, so to speak, with Flyer Industries.

We have just sold a company that we are putting technology funds into so that they can expand and be successful in Manitoba. On the other hand, we have a situation where we have an appropriation of funds that, as I say, is a fine line that could be used against our own funds.

Has the Minister had any thoughts about that?

HON. V. SCHROEDER: Mr. Chairman, I think the member raises a valid point. Of course, another thing that has to be recognized as well is that there are other bus manufacturers in the country. I believe in Quebec there's a company just recently got a fair chunk of money. Prevost got some funding.

I guess the point has to be made that we're competing not only against each other here in Manitoba but also in different parts of the country. So that if there is research going into strengthening a Canadian bus industry, and the majority of sales have to be in the United States, if there's money going into it, certainly rather in Manitoba than in other parts of the country.

MR. CHAIRMAN: The Member for Portage.

MR. E. CONNERY: Under your General Electric agreement, I don't remember discussing that at all, the spinoffs from the General Electric agreement. Do you have other . . .

HON. V. SCHROEDER: Mr. Chairman, that agreement really does come under the Energy Authority. It's not under Industry, Trade and Technology. You're talking about CGE.

MR. E. CONNERY: Yes.

HON. V. SCHROEDER: The CGE agreement has to do with the generators at Limestone.

MR. E. CONNERY: Nothing to do with the spinoff benefits? Your staff was involved last year. Your staff was involved in discussions. It's in your Industry Branch sector of the annual report and last year it was under the same heading.

HON. V. SCHROEDER: All the discussions on it that I've had have come through Energy and Mines, but I'm perfectly prepared to discuss it here. The member is right that there is a joint administration by Energy and Mines and Industry, Trade and Technology of the offsets.

MR. E. CONNERY: What has taken place? They were to do some development in Manitoba as part of the agreement to buy from them.

HON. V. SCHROEDER: There are a number of activities under way. One example is an investment by CGE, together with an Indian band, I believe, at Norway House — is it? — for the laundry facilities.

None of the arrangements have been totally finalized. There are several that are fairly close to being completed. The bulk of them will be in southern Manitoba; there's no question about that. There have been discussions with a number of southern Manitoba companies. The agreement does allow for several more years before there's any actual requirement but it will certainly be coming.

MR. E. CONNERY: The terminology in last year's Hansard was "between now and 1991." I'm just trying to find that exact spot again. There was supposed to be \$10 million worth of investment. That will be in physical plants manufacturing in the Province of Manitoba.

HON. V. SCHROEDER: Yes, and that will be coming.

MR. E. CONNERY: It really hasn't started at this time yet.

HON. V. SCHROEDER: There are a number of discussions. Discussions, as I say, are under way and the end result will be, as we've indicated, that there will be a job created in Manitoba for every job in Ontario and Quebec and wherever for manufacturing that equipment.

MR. F. JOHNSTON: I realize that the Minister is handling both portfolios, but I have some information regarding the discussions with CGE. Yes, it's in Energy, the agreement is with the Energy portfolio, but you know we have a group of development officers. We have the Strategic Planning Section of Industry, which is strategic planning for industry in the Province of Manitoba. Is this department deeply involved in the negotiations with CGE as to what manufacturing — and I speak of manufacturing, I don't mean starting laundries and what have you — that can be done in the Province of Manitoba? Are you deeply involved in these discussions in this department?

HON. V. SCHROEDER: Yes, the departmental staff are deeply involved. There are discussions currently with CGE, leading hopefully at some stage to the development of a high technology plant here.

There are also other discussions which CGE is having with Manitoba suppliers. I recall just recently one contract which satisfies a small portion of this arrangement to a Manitoba firm.

So those things are happening and the department is directly involved with respect, especially to the direct investment discussions.

MR. CHAIRMAN: 2.(b)(1)—pass; 2.(b)(2)—pass.
2.(c) — the Member for Sturgeon Creek.

MR. F. JOHNSTON: The Trade group, how many are involved in the Trade group now?

HON. V. SCHROEDER: Fourteen people.

MR. F. JOHNSTON: Are the officers set up basically the same as the Industry group, that they are working with specific industries, with the electronics industry, and thereby working with industries or making calls in other areas outside of the Province of Manitoba, to put them together?

The first question is: are they working in specific industry areas?

HON. V. SCHROEDER: Yes, Mr. Chairman. I'll pass along the organizational chart so that you can see the field.

MR. F. JOHNSTON: Do the trade development officers in Manitoba make specific trips into the United States to call on the Manitoba Trade Offices and receive information from them as to where Manitoba products can be sold? Let me add, do they have specific territories that they cover?

HON. V. SCHROEDER: Yes, our officers do go to different parts of the U.S. and certainly they do work closely with the Federal Government offices in those cities. The individual officers stay, however, within their particular fields of expertise in those cities.

MR. F. JOHNSTON: I didn't bring them up with me, but I have them in my office, some informational books that we developed. I'm sure the Minister may have seen them by now, that references, by name of the manufacturers and what they manufacture in the Province of Manitoba. Then it also has product references which, in turn, state where they can be found in the Province of Manitob.

I believe that information was all put on computer for the benefit of being able to give information to anybody very quickly, as to the capabilities of Manitoba businesses or manufacturers. Is that particular informational benefit still being used?

HON. V. SCHROEDER: Yes, Mr. Chairman, it's been updated. The last update is within the last year and we'll get a copy for the member. Now it's referred to as an Export Directory of Manitoba Capabilities. It seems to be operating quite successfully.

MR. F. JOHNSTON: That is the one that's under Mr. Sprange, the Manager of Industrial Capabilities?

HON. V. SCHROEDER: Yes, Mr. Chairman, that's where it originated.

MR. F. JOHNSTON: My sheet here has got something "responsibilities." It's cut off there. What is that?

HON. V. SCHROEDER: Functional responsibility, industrial benefits, purchasing policy, import

replacement, export awareness, CIDA contact, government procurement.

MR. F. JOHNSTON: Is there a relationship being kept up with the government procurement as to the government writing in their orders or their specifications for purchases, in many cases, to use Manitoba products, or equal, and I stress, I believe in the words, "or equal." Are they able to make representation to the government procurement department, or purchasing department? Complaints are received, and there used to be several, as to overlooking Manitoba businesses.

HON. V. SCHROEDER: Mr. Chairman, we do monitor the complaints. As the member is aware, Government Services does the specs and we have been working as diligently as we can to ensure that the specs are such that, within reason, Manitoba firms can qualify for them, so that there's not some small technicality that puts them out. I don't believe we use specifically — I've never seen us use specifically the terminology of Manitoba capability or equivalent, but the intent certainly is that as long as we have manufacturers capable of providing a product that is suitable, we try to write the specifications so that they qualify.

MR. F. JOHNSTON: It's just that it's basically a procedure of keeping Purchasing on their toes from the Department of Industry; in other words, that you are a bit of a watchdog to make sure that the consideration is given wherever possible.

In the food products, and I noticed the sectoral responsibility here is food products, health care, furniture and giftware.

What are the exports of the food products at the present time? Pardon me, that's not the right word, "exports" is not the right word. What are basically the products that are being worked on with Manitoba producers or manufacturers of food products that are having some success in export to, well, I specifically say the Central United States?

HON. V. SCHROEDER: We haven't done an awful lot in the United States in that particular sector. We have been doing more in Canada as well as, just as an example, in Japan the sale of dressed pork.

What we have been doing in the food area is to assist smaller food processors to penetrate hotel, restaurant and institutional markets, and that will continue with group exhibits in Canada in national and regional trade shows; especially, we've been emphasizing that. A highlight of that, in fact, will be participation in Food Pacific 86, which is sponsored jointly with the Department of Agriculture, but we haven't been specifically doing a great deal in the Midwestern U.S.

MR. E. CONNERY: You say you're not doing much in the export field into the United States. Are you working

HON. V. SCHROEDER: Of that particular, yes.

MR. E. CONNERY: . . . through the federal department then? Is that where they're going for trade assistance?

HON. V. SCHROEDER: Well, people who are working that area could certainly be in contact with the federal

offices there. The Federal Government has now opened the export.

The EDC Corporation in Winnipeg, which will be of assistance to Manitoba, and is looking to export product, any product for that matter, to the U.S. It's simply not an area that we have, at the moment, targeted. We've been working on the rest of the country.

MR. E. CONNERY: That's in the food sector that you're

HON. V. SCHROEDER: That's right.

MR. E. CONNERY: Do you have a list of the various commodities that are exported out of Manitoba and the dollar values?

HON. V. SCHROEDER: Yes, I don't have it here, but we will have it for the member for the evening. Yes, it'll be no problem. You'll have it for the evening.

MR. E. CONNERY: Is there some confusion between working with the federal or provincial, whoever people go to, is there a confusion amongst people as to what group they should work with?

HON. V. SCHROEDER: There tends to be very good cooperation between the levels of government. We found that whenever we've dealt with our federal trade missions and embassies that they have been very cooperative and very useful in terms of providing information to us, leads, and just advice as to what might be happening in a particular area at a particular time.

The Federal Government, as I indicated previously, the Minister of International Trade indicated that they were going to be stepping up the area of having more trade officers attached to their posts in other countries and that again will be of assistance to the provinces.

MR. E. CONNERY: I'm a little familiar with the councils and how they help with various set-ups. We've gone to Los Angeles, Denver, Minneapolis, and it's an excellent way to really have a trade show at a relatively low cost because the people are there and they'll do it for you, so I think that's an excellent way to do it.

The critic had to go to take a phone call. We'd better not get through the Estimates before he gets back.

So the province really works more in exports with what sectors then? You're not in the food end of it?

HON. V. SCHROEDER: I would say agricultural equipment is probably the biggest area where we would be putting our efforts into.

Maybe just to give you a bit of a flavour of the trade shows and export development projects we've been involved with, and are expecting to be involved with this year: the Hostex, Toronto for hotels, food, that type of thing which I mentioned previously. There's a high technology show in Ottawa we were at in May; an International Software Market Show in Montreal in May; Agri-Component Exposition in Des Moines, Iowa in May; National Petroleum Show in Calgary in June; August to September, we've got a mission and group exhibit in the Australian Agricultural Equipment Field Days during that same period.

As I mentioned earlier, the Food Pacific 86 in Vancouver is co-sponsored with the Provincial Agriculture Department; October of '86, Grocery Showcase 86, Toronto; October '86, Agri-trade 86, Red Deer; January '87, Ag Expo 87, Spokane, Washington; January '87, Canada Farm Show, Toronto; January '87, Northwest Lumbermen's Convention and Trade Show in Minneapolis; January '87, Farm Store Merchandising Conference and Trade Show, St. Louis; and so on.

I make the point that agriculture is fairly high on the list when you consider we're involved in the whole range of manufacturing and industry in the province.

If you don't have any questions, we could . . .

MR. CHAIRMAN: The Member for Portage, you know, we're going to interrupt the proceedings for Private Members' Hour in a short while. If we want, we can interrupt it somewhat earlier and continue this evening at 8 o'clock when the critic comes back if that's agreeable.

MR. E. CONNERY: Well, we've got some things to go through. I'll just fumble along here for a while.

MR. CHAIRMAN: Sure.
The Member for Portage.

MR. E. CONNERY: In Manfor, do you work with helping in the exports of Manfor?

HON. V. SCHROEDER: They work primarily independently of us and through the Federal Government.

MR. E. CONNERY: What about into the Pacific Rim, have we mainly food products in that area or are we getting other manufactured commodities?

HON. V. SCHROEDER: Most of our activity there is with agricultural equipment, specialty equipment, drying equipment, seed cleaning, that sort of thing. There's also the food aspect, dressed pork to Japan.

We had a meeting yesterday with people from the Hyundai Trading Corporation who were in town and obviously, while they were here, they were paying visits to other places, including the Wheat Board. We don't do an awful lot of wheat export to Korea and they had some suggestions that I think the Wheat Board was quite interested in and that would be nice to add them on to a list of customers. But primarily it has been agricultural implements.

MR. E. CONNERY: Since there's a conflict with South Africa as far as importing, do we export into South Africa?

HON. V. SCHROEDER: There may well be individual companies who export. We wouldn't be involved with it.

MR. E. CONNERY: No, but they would show up in the export statistics if we are.

HON. V. SCHROEDER: I'm told there are some exports.

MR. E. CONNERY: I just wondered if that would be a philosophical conflict with the fact that we are not

going to buy from them. The government's philosophy that if we don't buy from them with the trade sanctions do we then, in turn, sell to them?

HON. V. SCHROEDER: Well, I'm not sure that we would have the right to make that decision.

Our position basically is right along with the same position of the Federal Government, as I understand it, and most of the provinces. I don't know that that's something that has been considered by the government.

MR. E. CONNERY: Spiroll Kipp Kelly — it used to be Kipp Kelly before — used to manufacture equipment and I think they used to get into a lot of foreign countries. Are they still doing as well as they were?

HON. V. SCHROEDER: Mr. Chairman, we don't have any numbers but I'm told that they are also now in the aerospace industry and they seem to be doing quite well.

MR. E. CONNERY: They were in seed-cleaning equipment and did a lot of that sort of export, I know. We've done business with them and they were telling us about where these were going. Are they still active in that market?

HON. V. SCHROEDER: They are not as active in that market as they were.

MR. E. CONNERY: I don't know if this is the area in trade we're selling; does the province at all get an anti-dumping litigation with companies that are dumping into Manitoba and our manufacturers?

HON. V. SCHROEDER: We occasionally get involved peripherally. It's an industry thing and tends to be federal but because there's so much of it happening now, we're beginning to attempt some coordination and strategy as a country which is, as an example, why we had the meeting in Vancouver a few weeks ago to discuss our reaction as a country.

In that instance, there were four provinces named; Manitoba was not one of them because we're not as large as others. But if we happen to be one of the provinces in one of those cases that is named as one of the people violating some rule, as we were by the Europeans recently, — I believe the Europeans named Manitoba specifically on the liquor practices — then of course we do have to become involved.

MR. E. CONNERY: On the other side of the coin, if our manufacturers are being hurt by something from other countries, I know it's a federal jurisdiction and, as you say, it's an industry one but often compiling the facts to go to an anti-dumping tribunal can be very extensive and exhausting. Do you help in this area?

HON. V. SCHROEDER: Obviously there is no money budgeted directly but there is discussion. There is assistance in any way that we can assist to ensure that Canadian business is treated fairly.

MR. E. CONNERY: In your trade missions we talked about people going out. The Federal Government has

a policy where they will pay for people to come in. Do you participate in that program?

HON. V. SCHROEDER: Yes, Mr. Chairman, there is a joint program, PEMD, funded by the Federal Government for programs outside the country; and internally we do the funding on our own so that we do assist people to go to trade shows and that sort of thing to develop their products.

MR. E. CONNERY: It mentions here, in your annual report, the Speakers Bureau; is that still going on? What would be the role of the speakers?

HON. V. SCHROEDER: Mr. Chairman, that was a pilot program that's been dropped.

MR. E. CONNERY: In your seminars — I don't think we discussed the seminars, have we? Did we discuss seminars?

HON. V. SCHROEDER: Briefly, yes.

MR. CHAIRMAN: The Member for Sturgeon Creek.

MR. F. JOHNSTON: The seminars, I wanted to come back to that. The seminars that are being held, are they being held in conjunction with the Canadian trade people?

HON. V. SCHROEDER: Yes, some are.

MR. F. JOHNSTON: Now, in this trade section here, is this the section of the department where the shows were held — and I didn't ask any other one — where the shows are held where we display the Manitoba products to other industry and to educate Manitobans what is made here? Is this done by this particular group or are the shows done in this area?

HON. V. SCHROEDER: Mr. Chairman, the program inside the province is Business Development and Tourism. The programs outside come under our jurisdiction.

MR. F. JOHNSTON: Are we attending the oil show that's held down in, I believe, Houston, or some place in Texas every year, with our booths and our representatives from Industry that we have that may supply the oil industry?

HON. V. SCHROEDER: Mr. Chairman, this year apparently Calgary, the National Petroleum Show, was chosen instead.

MR. F. JOHNSTON: If the Minister has a list of the shows that are intended for this year or have been so far or will be attended, and I don't have to have it now — if you have a list of the shows where we will be displaying Manitoba products.

HON. V. SCHROEDER: Yes, I can give this to the member. I had read a number of them off.

MR. F. JOHNSTON: These shows are specifically designed or held for certain trades, but there are some

that we go into that you can display several different types of manufactured products. Do we take with us on those shows representations of the businesses that are displaying with the Province of Manitoba?

HON. V. SCHROEDER: Yes, we do, and that's where the PEMD, Program for Export Market Development kicks in, the federal program kicks in with some of the funding and we'll do it on our own as well.

MR. F. JOHNSTON: Which program of the fed's?

HON. V. SCHROEDER: PEMD, Program for Export Market Development.

MR. F. JOHNSTON: I wanted to ask, we've got health care here under the Trade Program and then we have a new section (d), which is the next section, which is Health Industry Development Initiatives. I'm well aware of the fact that the development is within the province and the health care section here is to sell the health care products.

There was a fairly good health care sector in the Province of Manitoba in the electrical and some other products and we were starting to do some exporting. We were working with the university on electronics regarding health products. Have we moved into a situation where there has been an advance in the number of health products, especially in the electrical field, that are being exported outside of Manitoba?

HON. V. SCHROEDER: I should say just before I answer, the area which was last year in Trade is now in Industry. Basically, we have a small component referred to as the HIDI, Health Industry Development Initiative.

Mr. Chairman, the companies I referred to Tuesday evening, St. Jude's, 3M and so on, basically all of them are into production for export development and basically what has happened is that from a departmental perspective the export aim has broadened out from electrical to a whole host of areas. It's broadened out since then.

MR. F. JOHNSTON: The Manitrade, it's obviously still there. Is it still doing bridge financing services? Well, I know it does export services and helps companies with their exporting forms, etc., and how to do the exporting. Is there some bridge financing being done through Manitrade, with Manitoba companies?

HON. V. SCHROEDER: No, Mr. Chairman, it is now dormant.

MR. F. JOHNSTON: Did that not prove to be helpful to the people exporting? I know that there were some fairly large orders of Manitoba companies where we were able to assist. As a matter of fact, I believe Manitrade was set up by the member sitting opposite me and it was helpful to some of the exporters in the Province of Manitoba, where we were able to use it from a bridge financing point of view. You say it's dormant now. Were there no requests for it to be used?

HON. V. SCHROEDER: Mr. Chairman, I'm told that the needs are not there currently in the same way that

they were some time ago. The last time it was used to facilitate financial arrangements was in late 1982 for the Institutional Market Program Reverse Trade Show. I'm told that the requirement for the operation is not there now.

MR. F. JOHNSTON: Export services and branch reporting is basically a function that is a service to Manitoba companies on the details and intricacies of exporting, in other words, the rules and regulations of exporting in Canada and the rules and regulations of exporting to other countries.

HON. V. SCHROEDER: That's correct.

MR. F. JOHNSTON: Down at the bottom here of the electrical, we have Trade Policy and Trade Research. It seems that we find Strategic Planning and then we find Research in the other two departments, both in Industry and now in Trade.

We have the Strategic Planning and I know it's planning what are the best businesses, but you know Trade Research is very close to Strategic Planning and Industrial Research is very close to it, too. What is the reason for another section that is involved in Trade Research?

HON. V. SCHROEDER: Mr. Chairman, there's a fair bit of pressure in the other section. There's a lot of work being done on the free trade area. We needed some product-specific research in the Trade Branch. These people do work together and it's been found to be necessary to do it in this way.

MR. F. JOHNSTON: Capital projects down at the bottom there — functional responsibility, capital projects, transportation . . .

HON. V. SCHROEDER: Mr. Chairman, this refers to capital projects, wherever they might be in the country — or outside for that matter — where the function of that particular component would be to do whatever we can to ensure that Manitoba business gets its piece of the action.

MR. CHAIRMAN: The time being 4:30, it's time to interrupt proceedings for Private Members' Hour. We will reconvene at 8:00 p.m.

MR. E. CONNERY: Mr. Chairman, just before we go, I wouldn't mind if you had an extra copy of those for the other sectors, so that I could also follow along a little easier. To expedite the Session, I wonder, on the Industry, Trade and Technology grants, if there's a breakdown of what they're for so that we won't be asking about each one. If we could have that for this evening, it would sure make it a lot quicker.

HON. V. SCHROEDER: Could you tell us which page you're referring to?

MR. E. CONNERY: That on Pages 34 and 35.

HON. V. SCHROEDER: Okay, we'll do our best.

MR. CHAIRMAN: We will reconvene at 8:00 p.m.

SUPPLY — FINANCE

MR. CHAIRMAN, C. Santos: Committee, please come to order. This section of the Committee of Supply has been considering the Estimates of the Department of Finance.

We are now on Item No. 5.(a)(1) Federal-Provincial Relations and Research Division, Economic and Federal-Provincial Research Branch, Salaries — the Member for Morris.

MR. C. MANNES: Thank you very much, Mr. Chairman.

Before we begin, I would like to take a few moments out to extend an apology to the Minister of Finance for a question that I posed yesterday in the House, Mr. Chairman, dealing with the credit rating of the province. I have now had an opportunity to review Hansard, Mr. Chairman, although I never did use the word "mislead."

I did indicate to the Minister that I had covered the subject in Estimates. Now on reviewing Estimates, I must admit I had not. I can't believe that I missed it, because I had it in about four different places as one of the major topics; so I extend that apology to the Minister.

Mr. Chairman, we're into Federal-Provincial Relations and Research Division. I would like to ask some questions with respect to the whole Fair Share Office, Mr. Chairman, that's been in existence now, I believe, for half a year. I think it came into being last December or maybe January, just before the election. I'm sure it's responsible for having brought forward some of these pamphlets with respect to transfers from the Federal Government to Manitoba covering post-secondary education and health.

I also know that the office was instrumental in preparing for the Minister and for the government a compendium of the history of transfers from the Federal Government to Manitoba. I'm also cognizant that it was that office that probably compiled the statistical argument which allowed the Minister of Health and the Minister of Education to go to Ottawa and make comment with respect to the Federal Bill C-96.

Mr. Chairman, the Federal Bill C-96 has now been passed. I believe it's on the verge of being proclaimed; in fact, it will be law. I would therefore ask the Minister whether or not there is a continuing need for the Fair Share Office?

HON. E. KOSTYRA: First of all, Mr. Chairman, I'd like to thank the member for his apology with respect to the question he raised yesterday in question period, where he alleged that he had asked me certain questions and had suggested I did not forthrightly answer those questions. I'm pleased that he has indicated that was not the case, and apologized to me and to the House.

The Fair Share Office was designed as a vehicle to provide an easy contact point for the public to obtain information on federal transfer payments. Staff within the Federal-Provincial Relations and Research Division, who monitor and who are most familiar with the issues of financing health and higher education and of equalization — supported by staff in other departments, such as Health, Education and Executive Council — answered the information requests.

The provision of such information by the Federal-Provincial Relations staff is a continuation of past practice, to the level of government concern about federal action and the level of public interest was such, as to create a larger than normal communications task. The special designation of the Fair Share Office will be used as the government deems advisable in the future.

The staff of the Federal-Provincial Relations and Research Division has been increased by one SY in the 1986-87 year, reflecting the continuing profile of the issues relating to all areas of federal transfers: tax reform, Canada Pension Plan discussions with the Federal Government, disability pensions and other federal-provincial issues.

It might be noted that the frequency of federal-provincial meetings at official Ministerial and First Ministers' levels have been increased by the present federal administration. The increased number of meetings, however, at times has been frustrating, in terms of the lack of recognition by the Federal Government, in terms of some of our concerns on these issues.

So the Fair Share Office itself is really a name. It's not an office as such. It's a contact point for people who wanted to get further information, at the time, on the Established Program Financing issues. There was an additional staff person brought into the department who spent a considerable amount of his time on issues related to EPF, and it was the person who provided the briefing for all members of this House some five, six weeks ago.

The ongoing needs with respect to federal-provincial issues are continuing, and it's deemed that the increase of one staff in this area will be used to deal with a variety of issues, as I outlined. The designation of Fair Share Office, as I said, may or may not be used, depending on the needs in terms of providing information to the public on federal-provincial issues.

MR. C. MANNES: Mr. Chairman, I have some difficulty with what I've seen with respect to that office, and maybe in a small sense with respect to the activities of Mr. Sale. There is no way I want to cast any aspersions as to his ability to review historical fiscal matters between Ottawa and this province, but I also believe probably with marching instructions from the Provincial Government.

The Fair Share Office, I'm sure, had an awful lot to do with organizing this coalition of health and educational groups who have banded together — who I know had a one-day conference — to try to muster a united attempt to attack the Federal Government; I guess in the long run, to try and convince the Federal Government to come through with more funding.

Mr. Chairman, I question whether there will be Department of Finance staff, who will be continuing to organize in a political fashion, groups of people to attack and criticize the Federal Government.

HON. E. KOSTYRA: It would certainly be my intention, as a Minister of the Crown, and it would certainly be the responsibility of the staff of the department, to work with any and all Manitobans who are interested in issues that are of concern to them and to Manitobans,

generally, and to the Provincial Government. The resource has been available on request to groups such as those from the university and others, who came together in one of the largest coalitions, I think, in the history of this province in terms of a concern — provided support to them.

The direction for that organization rests with that organization certainly, nor does that individual give any direction to the organization; the same as the Provincial Government supports and provides assistance to other organizations that exist in the province, whether it be the day care coalitions who are working for day care issues in the province that liaise with the Department of Community Services, other organizations that work in other areas as the Manitoba Federation of Labour who receive support from the staff of the Department of Labour, like the Winnipeg Chamber of Commerce or the Manitoba Chamber of Commerce who received assistance from the staff of the department, my former Department of Industry, Trade and Technology.

It'll certainly be our intention to continue to support efforts of Manitobans and their organizations.

MR. C. MANNESS: Can the Minister indicate when he'll know whether this office called the Fair Share Office, even though it's abstract in form, whether indeed that will continue during the '86-'87 fiscal year, and can he tell me what allocation of money under this appropriation will be directed toward it?

HON. E. KOSTYRA: I can't give a specific, definitive answer but in the past the resources that were devoted to the activities of the contact point, the so-called Fair Share Office, was part of one SY, the individual that the member mentioned, though that individual was also involved in other activities on behalf of the branch. One could say part of the time of one receptionist who answered the phone calls and either took down peoples' names for material to be forwarded or pass information on to other departments. That is not a new SY; that's an existing position of the person who answers the phone.

There was money spent on the leaflets that were published last year. At this point there are no plans for any further publication of leaflets this year. In saying that, I say there are no plans; however, obviously, if there are issues that may be of concern with respect to other federal-provincial issues, then we may have to relook at that but there certainly is not anything in the plan right now.

MR. C. MANNESS: Well, I would ask the Minister what he envisages with respect to the continuing need. When I say "the continuing need," I mean with respect to federal-provincial relations. What is the next hurdle that he sees from his perspective with regard to federal transfers?

Bill C-96 has been passed. Is there an equalization debate that's about to emerge? Does the government believe that they can be successful in convincing Ottawa — and I say successful — I'd say that, in combination with other provinces in Canada, or other coalitions, can be successful in convincing the Federal Government that the impact of the latest past legislation should be dealt with again.

I guess I am searching, Mr. Chairman, as to an attempt to find out what the Minister or the department sees coming forward, or is the Minister saying it's just routine, that we always want to continue some understanding of the figures, and we can see where there will be major drops in one of those transfer areas, that we then will move into action quickly and be prepared to do battle with Ottawa.

HON. E. KOSTYRA: Well, let me start off where the member left off. It's certainly not my intention, as the member suggested, to do battle with the Federal Government. It's certainly my approach and this government's approach that we want to cooperate with all levels of government to come up with mutual understanding and common strategies to deal with issues that are of common interest and concern to us.

I think we can cite a whole number of examples of where that cooperative approach has proved successful with the negotiation of federal-provincial agreements.

Unfortunately, there's also examples of where that has not worked out, where the Federal Government has taken arbitrary and unilateral action with respect to some so-called joint programs or shared responsibilities and have not come up with a common agreement or common understanding; and to the extent that I, or other members of the front benches, represent the interests of Manitoba in those negotiations, and if one wants to characterize that as doing battle with the Federal Government then that's the member's terms, not mine.

One of the first things I did within seven days of being appointed Minister of Finance was travel to Ottawa to have a meeting with the Federal Finance Minister, unannounced in terms of the public so that it was just a quiet meeting to discuss some areas of joint concern to try to establish an ongoing relationship. So it's certainly our intention to work in the spirit of cooperative federalism that has been much talked about.

But I would just point out to the member because he always, and others on that side, like to discredit any action that this government takes with respect to standing up for the concerns of Manitoba with the Federal Government as fed bashing. Yet, if you look at the issue of EPF and the position that we took, and the member knows well what I talk about, it was a position that was adopted by many other provinces in Canada. In fact, other provinces in Canada, and of course they can't be of the same political stripe as this one, Mr. Chairman, although we think that that will change in the near future, that they have taken a position the same as the Government of Manitoba in opposition to some of those changes. It's not a universal position but certainly the majority of provinces have taken it. Yet I don't hear members opposite that those provinces are taking a position of fed bashing with respect to the Federal Government.

In terms of the general area and what so-called hurdles, because the member asked that he sees that we see, I wouldn't necessarily call them hurdles, but the area that we are in active discussion with at an official's level, and it has been discussed at times at the ministerial level, is a renegotiation of the equalization formula. Those staff are very much involved on that on a fairly regular basis with federal officials and will be leading up into ministerial discussions later this fall.

There also are other issues that this branch handles with respect to federal-provincial relations such as Canada Pension Plan and disability. This branch takes a lead on negotiations with the Federal Government on issues related to that. It also takes the lead on any issues related to taxation whether they be the area that we talked about the other day on the business transfer tax or other forms of taxation or taxation agreements with the province.

In that regard we, as the member is aware, have taken a very strong position with respect to tax reform. That's an area that staff in this branch will be spending a lot of time on both here and with other provincial governments because there are now other governments that are saying again the same thing as this province with respect to a major overhaul of the income tax system. So there'll be ongoing activities with respect to that issue.

So that outlines the major issues that this branch will be dealing with other than the ongoing monitoring of budgetary items, budgets in other provinces, trends in taxation, trends in expenditure, and the general monitoring of financial and economic activity throughout the country so as to advise me and the government on activities in other jurisdictions.

MR. C. MANNES: Well, Mr. Chairman, I thank the Minister for that answer. Quite obviously, it's his responsibility as the Minister of Finance and, indeed, the government's responsibility, to always be attune with respect to these transfer conditions.

It's always his responsibility, I would think, to go to Ottawa and meet with other Ministers of Finance, and with the Minister of Finance federally, to fight for the best interest of Manitobans, I have no difficulty with that. I suppose, Mr. Chairman, within this whole area, what concerns me the most is I've sensed, where an individual has come in and convinced government that it would be to its political well-being if somebody within government could organize a coalition with highly political motives, I would think.

Of course, there are all groups represented by individuals, and groups who are benefactors of the government. Of course, if somebody from the department of Finance, or anywhere, Department of Health, Department of Education, convenes such a meeting, and gives it a collective term, that being a coalition, well, all the people within those areas really can't do anything but attend. And, Mr. Chairman, it is on that basis that I feel the best way to object to the government, firstly, allowing itself to be involved in a system where they begin to bring together, people try to convince them of the colossal fear of some change, and try to have them take forward the battle on the government's behalf.

That, Mr. Chairman, I find, in a sense, reprehensible, and that is why I move, seconded by the MLA from Rhineland, that the sum of \$50,000.00 dollars be removed from Resolution No. 71, Federal-provincial Relations, covering the approximate expenditures of the Fair Share Office and activities of Mr. Tim Sale.

MOTION presented.

MR. CHAIRMAN: The Member for Rhineland.

MR. A. BROWN: Mr. Chairman, I move that the question be put.

MR. CHAIRMAN: It has been moved that the question be put.

A MEMBER: No, it's debatable.

MR. CHAIRMAN: This is not debatable.

MOTION presented and defeated.

MR. C. MANNES: I request, as does the Member for Rhineland, that there be a formal vote, Mr. Chairman.

MR. CHAIRMAN: Order please. Order please. According to the rules, when a formal vote is being requested there will be both sections of the Committee of Supply. They shall meet together, and a counted vote shall be taken.

Call in the Members.

MR. CHAIRMAN: Following a voice vote, a formal vote has been requested.

The question before this committee is that the sum of \$50,000 be removed from Resolution No. 71, Federal-Provincial Relations, covering the approximate expenditure of the Fair Share Office and the activities of Mr. Tim Sale. Correction, correction, please.

There was a formal voice vote on the motion to move the previous question; and then a request was made that there be a formal vote on the previous question.

So the question before this committee is whether or not we will move that the question be now put.

A COUNTED VOTE was taken, the result being as follows:

Yeas, 24; Nays, 26.

MR. CHAIRMAN: The motion is lost.

Still under debate, therefore, is the motion put forward, which is as follows:

Moved by the Member for Morris that the sum of \$50,000 be removed from Resolution No. 71, Federal-Provincial Relations, covering the approximate expenditure of the Fair Share Office and the activities of Mr. Tim Sale.

The Minister of Finance.

HON. E. KOSTYRA: Thank you. Mr. Chairman, we have the odd situation of the Opposition moving a motion for discussion, and then moving closure before any debate can take place on the motion. I know members opposite have suggested that there shouldn't be closure in votes and yet they can vote closure on their own motion, Mr. Chairman, — (Interjection) — and not after considerable debate but not before any member had the opportunity of discussing and debating the motion.

I rise in opposition to the motion. I think the suggestion that there should be a reduction in funds allotted for the area of Federal-Provincial Relations at a time when there's increasing activity and issues that require joint Federal-Provincial Government resolution, I think is quite inappropriate.

And to somehow have the focus of that motion on areas relating to the Established Program Financing

where the province — as has the majority of other provinces in Canada — been greatly concerned by the unilateral actions of the Federal Government with regard to changing the formula in a way that is going to be a disadvantage to the Province of Manitoba, and to many other provinces, including provinces that are represented by Conservative governments; those governments have taken positions the same as the Province of Manitoba.

I really think that's quite unfortunate and surely indicates that members opposite, rather than looking at the issues and dealing with the issues, are taking a stance merely on straight political grounds rather than doing what is in the best interests of Manitoba.

So at a time when we have increasing issues to have joint discussion with the Federal Government — we're going into a new round of equalization discussions with the Federal Government — we're dealing with the issue of tax reform, unfortunately not with a great deal of interest from the Federal Government, but with a great deal of interest from other provinces in Canada, who are saying that we believe there ought to be a major change in our income tax system, and major reform.

At a time when we're dealing with these important federal-provincial issues, members opposite are suggesting that we should reduce the resources allocated to that area so that Manitoba cannot have the necessary resources, expertise and information available as we go into those discussions.

So for those reasons, Mr. Chairman, I'm opposed to the motion and I would urge members opposite to re-think their position. I know they didn't want any debate on this and they moved closure to ensure that there was no debate, but I'm glad that the majority has indicated that we're not going to invoke closure on this issue before there is even any debate.

I would ask members, in view of the explanation and the comments that I have made, that they would reconsider their position and if not withdraw the motion, then stand up for Manitoba and stand up for increased emphasis on getting a fair share for Manitoba through Federal-Provincial Relations.

MR. CHAIRMAN: The Member for Morris.

MR. C. MANNES: I'm closing debate now, Mr. Chairman.

MR. CHAIRMAN: The Member for Morris wishes to close debate. There is no closing of debate. We are now debating the main motion.

MR. C. MANNES: Mr. Chairman, just as I indicated before in advance of moving the motion, the concern here has nothing to do with the government's legitimate role in trying to forge the best deal possible for the citizens of Manitoba — well, that's not in question — because that's their right and, indeed, that's their responsibility.

Mr. Chairman, what is at stake here and what is of some concern is that we've seen where individuals, either put up by the government, have gone out into the community and through whatever forces have convinced people within an area of education, within health, that it would be to their benefit to come together

and organize in the form of a coalition, en masse, let's just say, en masse revolution, to go and attempt to convince the Federal Government that they, as the province, as Manitoba, and indirectly the groups that administer health and education, are not being treated fairly.

So, Mr. Chairman, what I see and what I saw was the Fair Share Office doing what should legitimately be the full responsibility of not only the First Minister and the Minister of Finance, but indeed the government. So that's what I and other members on this side have found so objectionable.

People within the community who are serving on boards, or are a part of administrating health and education, who have no alternative but to show up — absolutely no alternative, Mr. Chairman — but to show up at a coalition meeting, for the most part organized by an official within the Ministry of Finance. Because naturally, Mr. Chairman, if you do not show up then, in effect, you have shown your political bias. You may, in a sense, be judged to be in opposition to the Government of Manitoba.

So I dare say then, Mr. Chairman, you can imagine the pressure to show up and to become part of the mass effort to attack the Federal Government.

Mr. Chairman, that was my reason for bringing forward the motion. That's my reason for indicating to the Minister that as elected people, as the government of the province, indeed it's their responsibility to argue and do everything within the bounds of good, sound reason to convince Ottawa to treat us fairly, but, Mr. Chairman, not to go out and organize groups in society who have no opportunity whatsoever to say no to this Provincial Government, I do not want to be part of the mass effort to work and speak out against the Federal Government.

Mr. Chairman, that's my way of putting forward my concerns. Indeed, the concerns of members opposite were to bring forward this motion to draw attention to the Minister of Finance; indeed, to the government, that we will continue to watch their efforts in this regard and continue to watch the efforts of civil servants who are hired to administer financial matters for all the citizens of this Province of Manitoba, not to be pushed into, in a sense, the political arena as proxies representing the government.

HON. E. KOSTYRA: I'm quite astounded by the comments that I've just heard. The reflection of people in the community as somehow being puppets of the Government of Manitoba with respect to this issue, I find just absolutely incredible. People from a wide range of community groups that have — (Interjection) — I know the problem; I'm at the wrong post. I'm going to have to start all over again, right from where I was 10 minutes ago.

But I really find it quite incredible that somehow the Member for Morris suggests that representatives or organizations that have come together on their own are somehow puppets of the Government of Manitoba, when they have come forward dealing with issues — and it's not only organizations in the Province of Manitoba. It's national organizations like the Canadian Medical Association, it's national organizations . . .

MR. CHAIRMAN: There's a point of order being raised. State the point of order, please.

MR. C. MANNES: Mr. Chairman, the Minister said that I made comments with respect to "puppets," that I said these groups were being treated as "puppets." I would ask him to consider the validity of those remarks and possibly withdraw them.

MR. CHAIRMAN: That's not a point of order.

HON. E. KOSTYRA: Mr. Chairman, if I made any suggestion that the member referred to those people and organizations as "puppets," I retract. What the member said implied that those people and those organizations were puppets of the Government of Manitoba because they had to attend meetings that were called not by the government, but by a wide variety of community organizations that are and were concerned about Bill C-96 and the federal-provincial cost-sharing for health and education and it's other organizations in Canada. It's not some small group in Manitoba.

It's groups like the Canadian Medical Association; it's groups like the provincial Ministers of Education who took the same position. The provincial Ministers of Health, when they met, took the same position, and somehow he is implying that because people in Manitoba stand up that somehow they're puppets of the government.

If there is anything that appears to be puppets, it's the position that members opposite have taken. They appear like they are puppets for the Federal Government, because we are saying that there is unfairness in the way that this issue's been dealt with; there's unfairness in the impact on Manitobans and, because we say that, members opposite will not join us and look at the facts, but merely are saying, "No, because you're attacking our political friends in Ottawa, we're going to oppose you."

I would again suggest to members that they rethink what they're doing, rather than voting for this motion and saying they are in favour of the situation that's being imposed on the provinces, Manitoba included, and other provinces in Canada, by C-96. By voting for this motion, they are, in essence, saying they are in favour of those cutbacks against the Province of Manitoba. I would suggest that they rethink their position and vote against their own motion.

MR. C. MANNES: Mr. Chairman, the Minister has deliberately decided not to accept some of the earlier comments I made. I am not critical of his government attempting, on behalf of the citizens of Manitoba, to forage for this province the best deal, but however that must be done within the bounds of fairness.

The Minister can talk all he wants about all these groups coming of their own volition to a coalition, but I can tell you as a member of this House, I never received any formal notice that this meeting was being convened. Do you know how I found out about it? I got a letter from Mr. Cyril Keeper — (Interjection) — To the Minister of the Environment, yes, that's how I knew that there was going to be this large meeting, where all the people who would be affected, should there be some monetary reductions in transfer payments, were invited to be part of the coalition and the meeting that they held.

Mr. Chairman, it took about two days later, when I had a call from some people — and naturally I won't

mention names — who were asked to be there by some university officials. I said that I'm astounded that you feel you want to be part of that. The comment that came back to me was, "What else can you do? As universities, we're desperately short of funds. How else can we do anything but be part of this coalition?"

Mr. Chairman, the Minister can say he didn't know about it; that Minister can say he didn't know about it, but I honestly believe somebody within the Department of Finance — one individual who was part of the Fair Share Office — knew an awful lot about it and, furthermore, took part in organizing it. That's the basis and the rationale that I put forward to remove an approximation of the appropriation, so to remove that type of influence.

I can't help but hear the Minister of Transportation talk about somebody on this side being a puppet of the people in Ottawa. Mr. Chairman, I'll let him speak to the motion. He has every right to speak to the motion. Obviously he has some burr under his saddle. There's something that's happened within his department that he obviously wants to share with this House.

I say, when it comes to fighting your battles, when you're government, you fight them. You don't put into place hired guns from your own department who will go out and organize people within Education and within Health — people who may be timid to come forward, but are afraid if they do not there may be some loss of government support. That's what I react to, Mr. Chairman, and any time I do see it, I'll speak to it.

HON. E. KOSTYRA: This is even becoming more incredible, Mr. Chairman. First of all, I am not going to apologize for the fact that the Government of Manitoba, in looking at the impact on Manitobans, on our health care facilities, on our universities, as a result of unilateral action of the Federal Government, took a position in opposition to that, a position that was the same as most other provinces in Canada. In fact, you know, in some provinces there was a bipartisan approach. There were members on both sides who took the exact same position that is being taken by the Province of Manitoba, but for some peculiar reason, members opposite have not been ready to admit that there is something wrong. In fact, they've gone out of their way to suggest that this is merely fed-bashing by the NDP because they don't like the Conservatives.

We have taken the same position with respect to changes on transfer payments when there was a federal Liberal Government and there were changes made that were detrimental to the needs of Manitoba. When other people in Manitoba take positions and get together to voice their concerns, as have other organizations, there's a national coalition in Canada. Who organized that? Was it the same little person in the Department of Finance who has this great power over people in Manitoba that they suddenly bend down and run to meetings because . . . ?

MR. A. DRIEDGER: I'm not surprised.

HON. E. KOSTYRA: The Member for Emerson says that he's not surprised. Frankly, I give Manitobans and people in organizations in Manitoba a lot more credit than the Member for Emerson does, when he says he doesn't doubt that would happen.

Any suggestion that there is somehow intimidation from the government in regard to that is quite unfortunate, Mr. Chairman, but it's merely a smoke screen that members opposite are trying to put up to try to weasel out of the position that they've got themselves in, in siding with negative impacts on the Province of Manitoba rather than dealing with it.

You know, I look back at the comments from the previous critic for Finance, when he stood up and indicated that he saw the unfairness and actions that were taking place by the Federal Government. I look back at words in his own colleague's Budget, going back into the early part of the Eighties and late Seventies, where he criticized and suggested there should not be unilateral action by the Federal Government on cost-shared agreements. Yet somehow they want to put up the smoke screen now to somehow defend their actions and their lack of support for Manitoba.

MR. C. MANNES: Mr. Chairman, the Minister is less than candid. If he's trying to say that our party here has not in some way listened to the arguments of this government, that we have in some other ways not been prepared to discuss the issue with them, he knows that what he says is not true.

Mr. Chairman, we sat through the presentation offered by Mr. Sale. We learned certain things. I think most of us found it an interesting and an informative session. There's no question.

Mr. Chairman, the first or the second resolution that's been debated within this House dealt with the matter; it will come up again shortly. There was an amendment brought forward to that resolution by myself. Mr. Chairman, it said, in essence, let's come together; let's see what their needs are; let's determine whether the people of this province and the nation are prepared to work towards securing the funds to secure those needs; and let's look at the deficits of government.

For the Minister to say that we here have done nothing but apologize for the Federal Government, accuse them of fed-bashing and have done nothing positive is totally erroneous, Mr. Chairman. But what we will not stand for, or at least I won't stand for, is to see the then Minister of Education become the keynote speaker at a coalition meeting, using all the buzzwords. Of course, the buzzwords were "cutbacks, radical cutbacks." And members of this side not having an opportunity, first of all, to be invited; secondly, to have a place in that meeting; and thirdly, having secret calls from people who might have been there and who said I don't know why we're here, we feel some force, subtle as it may be, that has caused us to come. Mr. Chairman, that's an evil force that forces you or anybody to be somewhere where you should not be. — (Interjection) — Well, Mr. Chairman, I look forward to moving into the greater debate on that once we move into the proper appropriation, because I had planned to use it not so much to debate but to find out why there seems to be such a difference in the numbers.

I am prepared to listen to the numbers put forward by the Minister of Finance. The jury's still out in my mind. The Minister of Transportation seems to think that I stand here as an apologist for the Federal Government. Well, Mr. Chairman, nothing's further from the truth.

So again, to the Minister of Finance, let him be well aware of our preparedness to come together, try to come to a common understanding of this problem, and try to find out some solution that will serve Manitobans well for years to come.

HON. E. KOSTYRA: I was interested, Mr. Chairman, in the comments of the member opposite saying that the jury's still out. Mr. Chairman, everything's out of the barn. The bill has been passed. The jury's still out.

I mean, we've seen a situation today where the member says we've always taken every occasion to discuss it. Here we had an occasion today where members opposite moved closure on their own motion so it couldn't be debated. It's kind of perverse, but it's no different than the position that their federal colleagues in Ottawa took where they put on closure on Bill C-96 so that there would not be adequate debate in the federal House on this issue. They also closed off discussion at committee where they said only national organizations could go to the committee. They wouldn't allow for any other groups, other than a select number of groups to appear before the federal committee. If this government or this Legislature would ever take the same position, we know where members opposite would be.

But yet, now he says that the jury's still out. Well, it's too late, Mr. Chairman. The position and the time to deal with this bill and to lobby their colleagues — and they may have been in a position, because of their closeness, to have some impact if they would have chosen to do that — was prior to the bill being rammed through the federal House.

MR. CHAIRMAN: Does the Minister of Transportation wish to join the debate?

HON. J. PLOHMAN: Mr. Chairman, I just want to add a few words to this debate, because I am shocked by the Member for Morris' motion here to cut back this appropriation by \$50,000, because he doesn't want to see a general grass-roots response to this terribly detrimental move by the Federal Government to the people of Manitoba. This is what is so unbelievable, that they will put the interests of the people of Manitoba secondary, Mr. Chairman, behind their political interests to protect their friends in Ottawa. That is what I find so amazing.

Look, we know, Mr. Chairman — (Interjection) — that's exactly right, and then they want to move closure. Mr. Chairman, we're not concerned about the politics, only if it means that the people of Manitoba will push together to get us a victory over what is happening in Ottawa. That's what we need for the people of Manitoba, and that's what we're standing up for, because we stand to lose in Manitoba tremendously in education and health care. We don't want to see that happen.

You have a responsibility. Mr. Chairman, they have a responsibility to stand up and defend the interests of Manitoba. That's what we're doing with the Fair Share Office, and they refuse to do that, Mr. Chairman. They want to play politics with it.

This is a serious battle that we're in. We're fighting against the Federal Government on this, and we have to stand together, not just as the New Democratic Party

but all of the organizations. The people of Manitoba have to understand what the impact is. We are not going to sit by and let this be slipped under the table, so that the people of Manitoba do not understand the true impact of the decisions that are being made by the Federal Government, and how they will impact and hurt the people of Manitoba. That's how we're going to stand up, and we need these people here in Opposition to stand up as well and to become part of that group.

We make no apologies for ensuring that the people of Manitoba understand the true implications of Bill C-96. That's the problem. The Federal Government wants to do it as quietly as possible. Well, they're not going to get away with that. We're going to stand up, and we need the Opposition on the same side, not a half-hearted approach, not just a little bit of opposition, a little bit of kicking, but we need a massive amount to ensure that our message is brought home and that we change it. Nothing short of that will do for the people of Manitoba.

That's why we're taking these efforts and these initiatives, Mr. Chairman, and it is a shame that the Opposition would do what they are doing here today in moving to cut back that appropriation. It's unforgivable.

MR. CHAIRMAN: The Member for Emerson wants to join in the debate.

MR. A. DRIEDGER: Thank you, Mr. Chairman.

Certainly, I do. I was quite content, Mr. Chairman, to listen to the two experts in the field of Finance in the province debating there, but when the Member for Dauphin decides to get into the fray and is going to lecture as to what position we should take, the Minister who let himself be conned right out of half of his budget darned near, who's actually ended up being the poorest example of a Minister, who's allowed his whole department that serves the rural area to get the dickens knocked out of it, and then turn around and lecture us as to how to stand up for Manitobans, then I just had to raise that issue.

We're always fencing with words here, and the Clerk of the House is busy with his book all the time, but it borders on disbelief that Minister would get up here and lecture us as to standing up for Manitoba, because in my area I have to tell my people that is the one Minister on the government side that has not been standing up for the people in my constituency, especially with their own programs that have been slashed all over the place — (Interjection) —

MR. CHAIRMAN: Listen to the Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, it is because he came up and actually raised the issue. That is why I felt I had to stand up and justify some of the positions that we have here. Thank you.

HON. E. KOSTYRA: I thank the member for his comments and it's unfortunate that he wasn't here when the motion of closure was put because he would have been in a position to influence because I know that he wanted to get into the debate and got, unfortunately,

caught in caucus solidarity in voting for the closure motion.

Oh, another one.

A MEMBER: And many more.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. G. FILMON: Mr. Chairman, I tell you that what we have witnessed here this afternoon is exactly the problem that Manitoba has in that they don't deal with any credibility with any other level of government. They're fighting constantly with civic governments; they have ministers who call the mayor a liar; who tell people that one thing is happening when the absolute opposite is the truth.

We have these ministers who go flocking off to Ottawa, Mr. Chairman, and Manitoba was the only provincial government — despite the fact that they said that every other government agreed with their position — was the only provincial government that went to make representation on the bill in Ottawa; the only one who sent political ministers there and they were embarrassed because when they got there they didn't have their facts straight, and they were cut down to size by federal members who read them chapter and verse exactly what was happening.

Mr. Chairman, when you want to get somebody to understand your argument and to agree with your argument, you begin by telling them the truth; you don't do, as these ministers continue to do day-after-day, week-after-week. We don't need a Fair Share Office, we need ministers who tell people the truth, who won't give misinformation to the public. Mr. Chairman, this is the difficulty that we have.

We have ministers who stand up and expound nothings and won't face reality and tell people exactly what's happening. They insist on colouring the facts; they insist on putting political overtones on it and it's happening right now.

Here I have a newsletter from the Manitoba Association of School Trustees dated June 25, 1986; an interview with the Minister of Education, the current Minister of Education, Mr. Storie. This says: "Storie is also concerned that reduced transfer payments from the Federal Government will have an increasing effect on education in Manitoba in the next few years." Reduced transfer payments he's talking about, when the fact is that the transfer payments are increasing by \$25 billion over the next five years. They know it; every other province knows it and they insist on misrepresenting the facts, Mr. Chairman — (Interjection) — Federal cutbacks, he says, when this government is getting 6 percent more than EPF this year and 5 percent more per year for the remainder of the agreement under this bill; and he says that they're cutbacks? That's an absolute bald-faced untruth, Mr. Chairman, and that is our problem. You'll never get anybody to try and understand; to try and agree with; to try and help you out until you start putting the facts on the table.

They had the problem two years ago when they asked for our help with respect to the equalization payments. It wasn't until they agreed to the facts that Manitoba

had, in fact, received over \$200 million more in the preceding three years from the new formula than they would have had from the old formula until they started to put the truth on the table. They started to put the facts on the table as they could be understood and agreed to by everybody playing from the same set of information instead of trying to take the political route.

I'll tell you, Mr. Chairman, it goes right to the top because we sat in that meeting with the municipal officials at which the Premier said that they were getting less money on equalization payments; that they had been cut back by up to a half-billion dollars on equalization payments as a result of the new formula and in fact it was totally the opposite; they had gained by \$230 million more, and that was the problem that they had.

They couldn't get anybody to listen to them in Ottawa because they wouldn't tell the truth. They insisted on colouring the facts, on presenting them in a totally false fashion and they'll never get anybody to listen to them, to agree with them or to sympathize with them, unless they start to tell it as it is. That's the problem, and if they want to spout off all their political nonsense, they'll get nowhere.

They don't need a Fair Share Office to spout off that nonsense. They need somebody to clean up their act, to stop telling these untruths, and to put the facts on the table as they can be understood and agreed to by everybody across this country. But that's why they've got no other provincial government going to Ottawa to make representation on that bill because they didn't want to be associated with a Manitoba government that couldn't tell the truth. That's why we had to send two minister out there; two whackies out there, to make a presentation that was embarrassing because they didn't have their facts straight and they couldn't tell people the honest truth. But it goes further, Mr. Chairman, it goes further.

Here they are talking to school trustees who represent public school education. They don't represent post-secondary education. EPF transfers relate to post-secondary education and health. Here they are telling a story to school trustees who represent public school education and this Minister of Education says, "Federal cutbacks will place additional pressure on the provincial treasury which funds public education in Manitoba." The EPF transfers that he's talking about have nothing to do with public school education; they're post-secondary education, but he can't help but get into this series of nonrelated facts; of dragging in everything but the kitchen sink; of making a political argument where none exists, of not telling the truth to the people he's dealing with, including the school trustees of Manitoba. And, Mr. Chairman, that's our problem today.

We have a government that has destroyed its credibility so badly that it's got the Information Services; it's got political support staff for every minister; it's got communicators, writers, researchers; it's got executive assistants, special assistants; it's got ministers who presumably can get out there and communicate with the public because they have an opportunity every day, they can be interviewed by members of the media every single day, but they're not getting their message across. You know why? They're not getting their message across because they have no credibility; because they aren't sticking to the facts; because they want to colour the

facts and embellish the truth with something that goes beyond what actually exists. That's why they have to have a Fair Share Office. That's why we don't need a Fair Share Office if all it's going to do is try and make up for the failings of the ministers who can't tell the facts as they exist, to the people of Manitoba.

Mr. Chairman, that's why we don't need a Fair Share Office; that's why we can help out our deficit by getting rid of the Fair Share Office so that we don't have to lose our credit rating because this Minister of Finance wants to go with his tin cup to New York and not tell the truth, he wants to try and embellish the facts to try and make them cut back on their decision to reduce our credit rating. Well it's not going to happen until he starts telling the truth.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Thank you, Mr. Chairman.

I just want to make a few comments on the debate and clearly state on the record why I think the Minister of Highways got up and was so exercised, Mr. Chairman, because this whole exercise has taken place. The Minister of Highways is burning. Who's had the money taken away from him in the Provincial Cabinet? He's burning. He had to take it out on someone. He's standing here trying to make himself look good with the Minister of Finance so he doesn't lose another \$10 million or \$15 million next year. That's really why the Minister of Highways entered in the debate. He hasn't got the ability to extract any money out of his provincial ministry, out of the Cabinet in which he sits in, Mr. Chairman, but he's in fact sitting up here saying that he's going to defend his Minister of Finance.

Well, Mr. Chairman, let's really look at what's happened over the last few months. I'll give this Minister of Finance a little bit of credit. I haven't heard him make — (Interjection) — no, I'd have to do some more research on this but I haven't heard him make the kind of noise about federal transfer payments that I've heard the Premier; that I've heard the Minister of Highways; that I've heard everyone else use for their own political betterment. I think that we'll have to check out and see.

You know, probably of all those individuals sitting in Cabinet, the Minister of Finance for the first time in all the Treasury Bench of the NDP Government understands the serious situation that they're in. He knows that the baffleleg and the banging and the slamming of the Federal Government isn't going to produce anything but more problems for him. I think the Minister of Finance is smart enough to realize that, that he is not going to go and try to hammer the heck out of them, that I think in real truth if the Minister of Finance was truthful that he would stand and say, yes, he agrees with taking the \$50,000 that's in this — (Interjection) — federal . . .

HON. E. KOSTYRA: A point of order, I heard the member say if the Minister of Finance was truthful. I would ask him to withdraw those words because the allegation is that the Minister of Finance isn't truthful.

MR. CHAIRMAN: To the same point of order.

MR. D. ORCHARD: To the same point of order.

My colleague said that if this Minister of Finance was truthful on this motion he would support it and remove the \$50,000 to the Fair Share Office, because he knows in his own heart and in his mind that what they are doing with the Fair Share Office is not giving factual information to the people of Manitoba. There is no withdrawal required.

MR. CHAIRMAN: There is no point of order.

The Member for Arthur.

May I remind all members that what we are debating is the motion of the Member for Morris.

MR. J. DOWNEY: Yes, Mr. Chairman, I am quite aware of that.

If the record shows that I'm saying that the Minister is anything that he's not truthful, then I would withdraw it. I'm not trying to scold the Minister of Finance. In fact, I think that if he were truthful with himself — I didn't have the opportunity — if he was truly truthful with himself, he, Mr. Chairman, would say, yes, there's \$50,000 in the Fair Share Office that we could use to better advantage.

I'm sure that he is well aware that they must have a Minister of Inter-Governmental Affairs, every Minister has direct contact. The request of the Opposition, I think is reasonable. I think the Minister of Finance is reasonable. I think if he looked at that \$50,000 and said do I have a choice of putting that into the health and medical system to help the people of Manitoba, or I'm putting it into bashing the Federal Government that's going to probably hurt our chances of dealing with the feds, then he would in fact withdraw it. I'm not sure that he wants to maintain that \$50,000 in that area. I would hope that he would be sensible enough at this stage of his ministry of Finance that he would take those hard decisions, Mr. Chairman, because anyone who is trying as hard as he is to become the Leader of the New Democratic Party and the Premier of this province and dump the other one that's ahead of him who doesn't even know what date he was elected on, I think that probably he sees an opportunity there.

Let's deal with another issue, Mr. Chairman, dealing with the federal transfer payments and the motion that's before us as to whether or not there's \$50,000.00. We heard the Minister of Agriculture today stand here and tell us that the federal Tripartite Beef Stabilization wasn't acceptable by the producers of Manitoba. The producers of Manitoba, Mr. Chairman, a lot like all these other Ministers, haven't been told the full story. Why, Mr. Chairman, would the Minister of Agriculture in the Province of Manitoba not want to take some of the burden off the backs of the beef producers who are paying this tremendously increased premium or the lowering of premium which is going to have an impact on their cash flow? Why does he want to unload the provincial debt on to the backs of those few beef producers who he's pretended to help over the last four years? I can't for the life of me understand it, Mr. Chairman. He doesn't need a Fair Share Office and \$50,000 to go out and bash the Federal Government to say that the Tripartite Stabilization Program isn't any good. He is apparently doing that. He did it all during the election campaign.

Another problem that I have, Mr. Chairman, how can the same Minister of Agriculture say to the hog

producers if you opt for the federal program, as they have done, we'll forgive the money you owe the province? What kind of consistency do we have, Mr. Chairman? — (Interjection) — We don't have any consistency.

Mr. Chairman, he complimented the Federal Government, the federal Hog Stabilization Program. He wanted to do that during the election campaign because it would be a plum for him. Mr. Chairman, yet the Minister of Highways wants to turn around and hammer and bash the Federal Government. Who has done more to support the Port of Churchill than the Federal Minister of Transport in the Federal Government? Who has given him the funds that he has used to upgrade the Port of Churchill and for him to make all the political marks on it? Mr. Chairman, it wasn't Pierre Elliott Trudeau and the Liberal Government; they wanted to close it. It was Don Mazankowski, the Federal Minister of Transport. Yes, Mr. Chairman. — (Interjection)—

No, Mr. Chairman, the Minister of Highways says kicking and screaming. The only kicking and screaming is coming from this Minister of Highways and Transport because he hasn't got the strength to stand up for the Department of Highways when it comes to the Cabinet meetings. They say old John boy is soft, we'll get some more money out of him. — (Interjection) — The Member for Dauphin, yes. They talk about lightweight producer cars, well, he's a lightweight Minister. He should be able to produce all of them, Mr. Chairman.

Mr. Chairman, the whole question comes back to the resolution that's before the floor, and that is, do we need or do we not need \$50,000 to go into a Fair Share Office? Well, I say, Mr. Chairman, we don't. I'm surprised at this Minister of Finance. This Minister of Finance has a golden opportunity to demonstrate to the financial world that he's going to quit all this nonsense, this political posturing nonsense that he and the New Democrats are carrying on with and come down to reality and quit spending the taxpayers' money in an irresponsible manner, Mr. Chairman. He has the opportunity to prove to the international money mart that the game playing is over, that it's real life we're in and it's real people, real hard work, sweat and tears that go into the money that pay his taxes that he spends. Let's get down to reality, Mr. Chairman. He has the opportunity. If he's as solid as some people think he is, he has the chance to prove it and prove it right now and slap his Minister of Highways down again and take the \$50,000 away.

A MEMBER: Contender No. 3.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: I always prefer to be No. 1.

Mr. Chairman, this Minister of Finance knows full well that the Fair Share Office that we are about to delete in this motion before the House, to delete \$50,000 from this line, is an abysmal waste of taxpayer money, because no Department of Finance could put out these kinds of pamphlets with these unresearched, unsubstantiated kind of graphs and charts which mean nothing, which do not provide any meaningful information on the situation that we're facing.

I just simply point to you the chart in the middle which has by 1990-91 a projection of 14 percent cutback as a percentage of total health and higher education costs, no Department of Finance could put this out because it's simply not factual. These people had to create a new office called the Fair Share Office, so they could crank out their half-truth propaganda which is cranked out on a daily basis by the 135 communicators and political hacks they've got hired around their offices.

The Department of Finance has more integrity and credibility than to put this kind of garbage out. That's why the Fair Share Office is there. We don't need the Fair Share Office in the Province of Manitoba to make the case with the Federal Government. My leader laid it on the line absolutely clearly. What we need is truth from these people when they're dealing with the people of Manitoba, not half-truths like we have in these kinds of cooked-up reports put out of the Fair Share Office.

Mr. Chairman, what more crucial time do we have for this exercise of cutting some money out of this budget than right now when we are on a credit watch by Standard and Poor's? That's the time when this government has to show it has the ability to make decisions which are in the long-run benefit of the people of Manitoba, and one of them is to cut part of your propaganda machine out, and that's what we're asking to do in this resolution. Any member on that side of the House who does not vote for this reduction of \$50,000 is voting for the credit rating of this province to be reduced. If they vote against this resolution, members in the NDP are voting to have Standard and Poor's take the message that they are not willing in any way, shape or form to look at their spending, to examine where they're wasting taxpayer dollars and driving the deficit ever higher. That's what they're telling Standard and Poor's if they don't agree to this motion. Members over there are laughing right now, Mr. Chairman, but they don't appreciate how serious the situation is for the Province of Manitoba. And I simply want — because the Member for Thompson, I catch him every once in a while when I walk over on that side of the House reading a Macro Economics book so he can understand it.

A MEMBER: Micro.

MR. D. ORCHARD: A Micro Economics book. Yes, that's right. Micro Economics is what he's into now. Now, he's only on Page 40 and he's been reading it for two months of the Session. But nevertheless he's reading Micro Economics, Mr. Chairman. Now what this backbencher with the NDP, the MLA for Thompson, should do is pick up a 1981 Budget Address, the one I used in reference in my speech and reference in the introduction of the Finance Estimates, pick it up, take a look at the projected borrowing that this province has to do over the next 20-year period as is put into every budget, calculate the amount of borrowing from the years 1990 to 1994 as was tabulated by the Department of Finance in the 1981 Budget Address, and then do the same calculation five short years later after you've mismanaged the economy like you have for the last five years. And you will be shocked to know that the amount we refinanced as a result of your five

years of government is 333 percent higher, and the only difference is, is five years of incompetence and wasteful spending by New Democratic Party governments. That's the difference.

And then if you want to take and go to the years 1995 to 1999 you will find when you compare the 1981 budget papers with the budget papers brought down by this Minister just two months ago, you will find that there's a 303 percent increase.

Now all because of these people this Minister of Finance today, and the previous Minister of Finance in four successive budgets running up \$500 million deficits and telling the credit rating agencies and the bond lenders in the world, that they cannot control their spending; that they prefer to waste money on propaganda offices like the Fair Share Office; and they're not willing to try in any way, shape or form to bring their spending under control; they would sooner crank out propaganda that is not factual, by the creation of the Fair Share Office.

Mr. Chairman, if the New Democrats don't want to give Standard and Poor's a message that there's somebody in this province who's willing to bring spending under control when it's wasteful, we on this side of the House are totally prepared to do that with this motion. We'll help Standard and Poor's make the decision that there are better money managers in the Province of Manitoba, if the New Democrats can't.

MR. CHAIRMAN: Are you ready for the question? The question before this committee is that . . . Order please.

The motion before this committee is that the sum of \$50,000 be removed from Resolution No. 71, Federal-Provincial Relations, covering the approximate expenditure of the Fair Share Office and the activities of Mr. Tim Sale.

QUESTION put, MOTION defeated.

MR. CHAIRMAN: The hour being 4:30 p.m. it is time for Private Members' Hour. I am therefore interrupting the proceedings of the committee and we will return at 8:00 p.m.

Call in the Speaker.

IN SESSION

PRIVATE MEMBERS' BUSINESS

RES. NO. 16 — NUCLEAR WASTE

MADAM SPEAKER: On the proposed Resolution, No. 16, the Honourable Member for Inkster.

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

Madam Speaker, this resolution was submitted for consideration of the House, I believe approximately two months ago now. Since that time there have been some events taken place, such as the United States Department of Energy has decided not to proceed with the original proposal for consideration of sites in northern United States, and particularly in the State of Minnesota. So I have consulted with members opposite and with leave I would like to reintroduce the resolution with some adjustments to it so that it is

current. Would you like me to read the changes in the resolution?

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

The Honourable Member for Inkster.

MR. D. SCOTT: Okay, Madam Speaker, then I would move, seconded by the Member for Thompson that

WHEREAS United States Department of Energy had selected four locations in the Red River Basin as potential sites for the location of a nuclear waste storage facility; and

WHEREAS any nuclear storage facility located in the Red River Basin poses a potential threat to the health of the inhabitants in the environment of Manitoba for 10,000 years or 350 future generations; and

WHEREAS plutonium, which is used to make nuclear weapons is a by-product of the nuclear power generation, thus making nuclear waste dumps, aids in current and future nuclear weapons production,

THEREFORE BE IT RESOLVED that this Legislative Assembly believes that it is wrong for our generation to impose such hazardous conditions upon future generations; and

BE IT FURTHER RESOLVED that this Legislature confirm that no Manitoba location will be used as an underground nuclear waste storage site; and

BE IT FURTHER RESOLVED that we commend the governments and individual citizens of Canada, North Dakota, Minnesota and Manitoba for their efforts in persuading the United States Department of Energy that sites within the Red River Basin are not acceptable; and

BE IT FURTHER RESOLVED that the Clerk of this Assembly be directed to forward this resolution to the Government of Canada and the governments of North Dakota and Minnesota.

MOTION presented.

MADAM SPEAKER: The Honourable Member for Inkster.

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

Madam Speaker, this resolution was originally, in its original form, was intended as an encouraging resolution to support the actions of the governments, border governments of North Dakota and Minnesota and Manitoba, along with the Government of Canada in urging the United States Department of Energy not to go ahead with a proposed nuclear waste, or at least considering several sites in the State of Minnesota for nuclear waste disposal sites for high level radio-active waste from their nuclear energy programs in the various utilities across the U.S.

I am incredibly pleased now, as everyone in this House is well aware, to recognize that the USDOE, Department of Energy, has seen, I think, and listened very well to the presentations made by, not only the various governments concerned, but in particular by their tremendous number of citizens who came forward, and not one of the presentations that I had the opportunity to listen to, in the Community of Warren in Minnesota, spoke even warmly towards the proposal, even

cautiously towards the proposal. They are all straight, outright condemnations.

Those condemnations and those comments came from local farmers; they came from local municipalities, Reeves, councillors; they came from state senators and state representatives; they came from the Governor of Minnesota; they came from a representative of the Government of North Dakota as well; they came from the Minister of the Environment, the Honourable Member for Radisson, on behalf of the Province of Manitoba; and hundreds and hundreds of representations brought forward by ordinary citizens.

There were the Chambers of Commerce that said jobs are not worth this kind of a potential price that we may have to pay. Our economy in the area is not going to be strengthened by the addition of that kind of a facility, that farmers were afraid that if there were to be leaks in the future, and they weren't just looking at the future within their own lifetime, they were looking into the future at hundreds of years, even thousands of years, that what would happen to the produce from that part of the state.

The concerns raised by Manitobans were similar. What would happen to the impact on the water system and the Red River water basin, which drains from several of the sites that were under consideration? What would happen to it and what would be the consequences for future generations of Manitobans if it became contaminated by a leak down the road?

The nuclear industry seems, both in Canada and the U.S., to be putting more and more of its stock into the idea that they're going to be able to find a solution for the problem that we jointly have created in moving into a nuclear age for so-called peaceful nuclear purposes, that they're going to be able to store this waste underground and everyone would be able to forget about it.

I do not think that that is at all the case. If back, previous to the Egyptian times, if rather than mummies in the Great Pyramids, and treasures, they were putting nuclear waste, those sites would still be lethal to man today. I do not believe, and I do not believe this with all the strength I can muster, that our society, be it in Canada, be it in the U.S., be it in any other country of the world, has any kind of a right to put that kind of risk upon future generations. We're talking not just a few years down the road but thousands of years down the road where this waste will still be incredibly lethal.

We have no idea of the conditions and what the world, what the earth, can expect in the next hundreds of years, let alone the next thousands of years, in consideration of geophysical movement, be it the impact of plate tectonics, be it the earthquakes which is a part of plate tectonics, of course, but there are other factors involved there as well. We know that Canadian regions, even in the Ottawa district, they were shook by a mild earthquake a few years ago. That is in shield country just the same as we, in the eastern regions of Manitoba are in shield country, and northern Minnesota is in shield country.

The ability and the faith that some of our scientists today put in their predictions that they're going to be able to store this waste in the pluton formations of granite rock, that it is going to be safe from now till kingdom come, I just don't have that faith in their ability

to forecast or even in their ability to manufacture and to develop a site for a relative short time with no possible leaks.

The whole industry is coming to very difficult times, particularly in North America. There are more plants being decommissioned now than being opened up in the U.S. In Canada, there are delays and there is decommissioning of existing plants. The life expectancy of some of the plants has been reduced substantially, and yet we still do not have any idea of the cost of containing those contaminated aspects of the plants for future time.

In the Soviet Union, with the recent tragedy around Chernobyl, they have, I hope, successfully entombed that contaminated reactor. They have been able to do nothing to the thousands and thousands of square miles that have been contaminated around them. They've seen — the last figures I heard — in the thirties of people who have already died. There's expected to be probably another 200 or 300 that may go within the next year. There's expected within our generation somewhere like 100,000 people are expected to die in some medical forecasts because of exposure to high levels of radiation from that plant, going up to miles and miles away from the particular site.

Even the particular plant itself, for them to be able to entomb that and to guarantee that that waste, that that contamination from the minor meltdown that they had there, and we know how catastrophic it all was, but it was minor, perhaps, compared to what possibly could have happened if they would not have been able to muster up resources both within their country, and advice from other countries as well, to give them a hand to try and stop that disaster.

They still have a big tombed radioactive core of that old reactor that will be lethal for thousands of years to come. How secure is that going to be? How secure? I don't have a lot of faith that it's going to be secure over time. It's bound to break down in one factor or another with the concrete work around it or whatever else. It's a tremendous burden, fiscal burden, upon future generations as well.

So, Madam Speaker, the resolution that I've brought forward goes far beyond just the specific siting in the State of Minnesota. We, in this Legislature, will reconfirm the government's stated intentions in past years that no site in Manitoba will be used for nuclear waste storage, for high-level radioactive waste storage underground, that the leases that we have given in the Pinawa area, through AECL, are purely research facilities, and that this Legislature, through this resolution, indicates clearly to the Government of Canada that we don't want that ever to be changed, that that site is never to be used for the storage of nuclear waste. AECL has given us that commitment. The Government of Canada has given us that commitment.

Let us be ever wary, whether we're in this House, or in future years out of this House, that we will keep this Legislative Assembly to the commitment that we will be making hopefully today that we will not allow that site or any other site to be used for the storage of radioactive waste in our lifetime because it's not just a decision simply of our own lives; we're talking about hundreds of generations, let alone hundreds of years.

Madam Speaker, we have seen difficulties that they've had in other jurisdictions with disasters. We now know

probably more about the Chernobyl incident than we do about the Westwind incident that happened in England some 20 years ago, or 30 years ago, possibly. That has been cloaked in secrecy, cloaked in Cabinet secrecy, in locked documents, and the people of Great Britain, as well as other countries, because from our accidents hopefully we learn. Hopefully the U.S. and hopefully ourselves and hopefully every other country that is using nuclear power has learned from Three Mile Island in both emergency procedures and containment and design. For any nation to have a catastrophe or a major accident, even minor accidents at their nuclear plants, it is of utmost irresponsibility for them to hide and to try and cloak their own failure in technology from public scrutiny.

It's taken the Soviet Union an awfully long time to open up and they've all haven't opened up anywhere near enough over what happened at Chernobyl. Hopefully, we will see through international commissions, through the offices, perhaps, of United Nations' agencies, that we will have an international regulatory agency around the nuclear industry.

There's one other component that I put in this resolution purposely, and this is the idea that plutonium waste from our nuclear facilities is the *raison d'être*, the material necessary for the fabrication of modern and even relatively archaic nuclear weapons still in existence today.

We, in our time, are living in a very peaceful time at least in the Western World. The rest of the world is in virtual chaos in so many regions. But we do not know how peaceful our lands shall be, what our political boundaries shall be in 50 or 100 or 200 years' time. I hope that they will be consistent with what we have today but, in future exchanges of warfare between nations and engagements in warfare, could and would make these particular sites real targets for invading armies, because they would have — within very easy access — high-grade plutonium with which to manufacture nuclear weapons. Any treaties that had been signed may go out the window when they have the ready access to that kind of base material for the manufacture of nuclear weapons.

It's for that reason that the nuclear weapons aspect is very closely and irreversibly tied to the nuclear power industry, because the feed stock for nuclear weapons comes out of the waste of nuclear power plants. The U.S. Department of Energy even has their own power plants that are there simply for the production — not of electricity — but of fissionable plutonium.

So, Madam Speaker, I would hope that this resolution will receive support from all members of the House. I think it's important that we pass this, as a gesture of friendship to the States of North Dakota and Minnesota; as well as a congratulatory message to the Government of Canada, in thanks for their assistance to work with the Premier, with the Ministers involved and with the whole government and with people of Manitoba, to stop the consideration of the U.S. Department of Energy in proposing sites in our border states.

Thank you very much, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Niakwa.

MR. A. KOVNATS: Thank you, Madam Speaker.

I listened with great interest as the Member for Inkster introduced the resolution. In most regards, I do support the resolution, particularly where we must compliment the people who made the decision not to store nuclear waste within the Red River Basin in Northern United States. I join the member in sending a letter of congratulations and complimenting the people who made the decision not to store the nuclear waste in that Red River Basin.

The honourable member has suggested that we don't store nuclear waste in Manitoba. We have a problem. What are we going to do with the nuclear waste? You can't just sit there and keep suggesting that we close our eyes — we stick our head in the sand like an ostrich — and we don't make any decisions to store the nuclear waste. If the honourable member's going to come up with some grandiose idea, where we're going to get everybody to not use nuclear power so there'll be no nuclear waste, I think that's beyond our capabilities of getting the whole world to cooperate in that regard.

We are storing nuclear waste in the Pinawa area right now. I'm not looking to expand that storage facility to everybody to send their nuclear waste to Manitoba. I wouldn't want Manitoba to be the dumping ground, but we do have our own nuclear waste here that comes from many many good things.

Industry today uses nuclear power. I would just read: "Part of the inherent price of human progress is the requirement to deal with an increasing variety and quantity of waste generated by man's productive industrial activities. Since some of these wastes have the potential for harming man and the natural environment, they must be carefully controlled."

Now, I'm saying that we must control all of these nuclear wastes, because these are an offshoot of the technology of today's world. When it comes right down to it, we must work together.

I had a group of students come into the Legislature the other day, and I sat there and I was talking to them. We were just discussing all about the nice things happening in this building. They said, what about the laws that are made? I said that we are making the laws to cover your futures, the future of every one of you young people. They were all in the age of 8, 9, or 10 years of age — I guess Grade 5 — that would make them about 11 years old. I said that the laws today are to cover your future, and that's what we have to do. We can't sit on a problem such as this. The kids' futures are at stake, and we're the ones who are going to be making that decision. When we talked about making that decision, we're talking about at least 100 million years of potential contamination. So we're talking about the future of, not just these children that I was speaking to, but many more generations.

It's frightening to sit back, and the power that we have to do all of this, but we must work together to be able to provide a site to store this. You're not going to eliminate it and we can't just forget about it. We've got to work together, as peoples, and it doesn't have to be the same political parties. We're talking about everybody putting our heads together to come up with some idea.

We must decide on a site to store these nuclear wastes, and it's got to be the safest possible site. If the safest possible site to store this nuclear waste is going to be in Northern United States and the Red

River Basin, which we now know it's not, then that would be the one that I would be supporting but it certainly isn't, because we know the dangers there. We have dangers of placing nuclear waste in the Canadian Shield, which is probably the best location for storing nuclear waste.

I'm not talking about storing it underground where it can't be properly looked after. They are storing nuclear waste at Pinawa now, and it is safely stored. The danger of plutonium where the warring forces of the world would attack Manitoba or enter into Manitoba to get our plutonium . . .

A MEMBER: At Beausejour.

MR. A. KOVNATS: At Beausejour, that's the next best place. But for warring forces to come into Manitoba to try and get our by-product of plutonium, that's ridiculous, Madam Speaker. There's more plutonium around and more atomic bombs around today; they don't need what we would be storing in Manitoba, so there's really no danger in that regard.

But we have a problem. What are we going to do with that problem? There are so many good things that come out of nuclear power. There are the man-made sources of ionizing radiation that can be beneficial to man, where patients undergo cobalt therapy, receive carefully monitored and controlled radiation doses for the treatment of cancer.

So you can't condemn nuclear waste as an overall encompassing factor. Nuclear waste is a natural by-product of our society and our advancement. I don't see how we could possibly agree to just say no more nuclear power, no more nuclear waste. Sure there's been dangers, but we are learning every day on how to control the future danger — (Interjection) — yes, we are learning every day how to control the future danger of nuclear waste.

One day soon, there'll be a cure for cancer; one day soon, there'll be a cure for the common cold; one day soon, there'll be an almost fail safe storage of nuclear waste.

I think, for the time being, that we have to control it to the point where we are at Pinawa. We have to believe somebody, and I'm inclined to believe the people who tell me that it can be safely stored.

But today, my decision is not to enlarge on the storage of nuclear waste in any Manitoba location. But if Manitoba is the safest place to store it, then I say we'll store it in Manitoba and I will support such a thing. Today I support your resolution.

But I think that we must formulate a policy for the future. I would be in complete support of the honourable member's resolution and I know that of all of the input that the members opposite had in discouraging the energy group in the United States, in putting in the storage facility in the Red River Basin, I don't think they can take all the credit because we have supported the anti-feeling of that location also. So I don't want anybody standing up and strutting around saying I did it. We did it; we did it; that's what I'm telling you, and we must work together in the future so that there'll be no danger to affect the communities in the future all over the world.

Again I repeat, if Manitoba is the best location for storing it and the safest location for storing it, then we

will be storing it and I will support it. Today it isn't, and I will recommend that my group will support the resolution that has been brought forward on behalf of all the people of the Province of Manitoba. Thank you.

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, I must say, as I was listening to the Member for Niakwa, I couldn't help but think of that lovely tomato plant that I noticed was growing well last night, with a couple of tomatoes that were growing larger, in appreciation that all members of the House feel insofar as that presentation.

Madam Speaker, I'm proud to be in a position to support the resolution that is before us today. We opposed the proposal to establish a nuclear waste disposal site in the Red River Valley when the proposal was first made. I'm very pleased to say that the relationship that was forged amongst Governor Sinner of North Dakota and Governor Perpich and ourselves in the Province of Manitoba to block the locating of that site, I think was an example of the best in inter-governmental cooperation and harmony, insofar as Canada and the United States was concerned, in order to prevent the location of the site. It was recognized by the people of Minnesota, North Dakota and of Manitoba, the serious risk that would be involved in locating such a site so close to the Red River, within the water drainage system of this part of North America and the folly of it so occurring.

I know that Governor Perpich, at the time that the proposal was made, was somewhat leery that it wasn't being made because Minnesota and that particular part of Minnesota was the furthest distance within the eastern half of the United States, to which they were trying to find a site disposal for the nuclear waste. He immediately alerted the people of Minnesota, North Dakota and, of course, ourselves in Manitoba.

We recognize the fact that an unforeseen accident or spill could have catastrophic effects for the ground and the surface waters in the valley. I say to the Honourable Member for Niakwa, Manitoba does not generate high level nuclear waste; therefore, I believe, unlike the Honourable Member for Niakwa, that under no circumstances should we be prepared to accept a nuclear waste disposal site within the Province of Manitoba.

I don't believe that we can signal any equivocation in that respect. The research that is taking place presently at Pinawa is research we support, but not the storage of nuclear waste. I must say I was impressed by the clarity on the part of the former Minister of Energy, Pat Carney, in also indicating to me very clearly at the time of the federal-provincial conference in Ottawa, that neither did Ottawa have any intention in seeing the storage of nuclear waste within the Province of Manitoba.

Ontario is a significant user of nuclear power; New Brunswick is a significant user of nuclear power. Those are the areas that should be prime candidates, after there is, of course, careful research analysis done as to where the safest sites would be for the nuclear waste.

But I believe that we had to signal very clearly and very firmly, Manitoba's position in respect to this, as we did along with Minnesota and North Dakota, when

we demonstrated as friends of the opposition to the American proposals.

That opposition was supported by the Honourable Joe Clark. Also, at this stage, I also want to commend the Federal Government, and especially the personage of the Right Honourable Joe Clark, for the support that he provided to Manitoba, to Canada, in making the objections known, on behalf of his ministry, on behalf of Canada, to Washington. I believe that contributed considerably to the successful campaign.

The United States now states that there is no need to seek a second site for the nuclear dump until at least the mid-1990's. The search does begin again. They've indicated that search will be from Square One, that is with no potential sites identified in advance of the search at that time, Madam Speaker.

External Affairs has advised us that it is removing the issue of nuclear waste repository sites, which may affect Canada, from the Canada-U.S. discussion agenda for the foreseeable future.

I think this has been an important victory, not just, as I mention, for the jurisdictions that were involved, but for the citizens' groups, citizens' groups who spoke out very clearly and very firmly in respect to the Garrison proposal, community groups and municipalities in Manitoba; and also many of those community groups and citizen groups that also joined the course of opposition to what was an ill-thought through proposal, in respect to the locating of the site near the Red River Valley.

I think it's also been a victory for federal-provincial relations, a victory on the U.S.-Canada relations. I would also like to give some credit, at this stage, to the presentation by my Minister of the Environment who travelled to the United States, and at the public hearing made a strong presentation on behalf of the Province of Manitoba, against the proposal — and I know was well received there.

Although the proposal would be resumed from Square One, potentially in the 1990's, I think we must stress the importance of indefinite postponement continuing throughout, because vigilance is the important word insofar as ensuring that there by no restoration of any additional effort to locate that site.

Manitoba therefore must remain in a state of readiness, which includes constantly monitoring the events in Washington through the legal firm that was retained by the Province of Manitoba in order to represent the interests of Manitobans; continued liaison on our part with the federal, provincial and state officials, as well as all other public interest groups to ensure that there continues to be consciousness and awareness in the event that opposition is again required to be expressed in a clear manner; and a continuous review of government, industry, academic literature to ensure current knowledge of all technical development, to be abreast of that, so we can be fully familiar and be able to take whatever action is necessary on our part.

The Manitoba, North Dakota, Minnesota statement of cooperation relating to the issue of potential high level of radioactive waste repository sites, which was signed on February 7, 1986, remains in effect and we will continue, as three jurisdictions, to ensure its continuation.

I've accepted an invitation. I trust that my Whip has had an opportunity to speak to the Whip across the

way — to attend a meeting involving Governor Sinner and Governor Perpich on July 31 in Grand Forks, North Dakota to deal with a variety of common interests insofar as our three jurisdictions are concerned. One of those areas of common interest is the one dealing with the nuclear waste repository to ensure that we continue our joint cooperation. There'll be further discussions at that meeting to ensure that the unity of purpose is maintained.

Nuclear waste-related bills are still under review in Congress, and Manitoba is prepared to assist, as I say, North Dakota and Minnesota at any time at their request.

Madam Speaker, I think it's gratifying and we should, I think, as Manitobans be gratified of the example that we have before us because frequently we participate in causes and we wonder whether or not there was any particular result from the participation in causes. Sometimes we find ourselves frustrated because of no progress or a lack of progress or mediocre progress in respect to what we are trying to achieve.

This particular instance involving the people of this province, I think is a prime example where, in our standing together strong in support of the interests of Manitobans in the Province of Manitoba, we were able in unison with others in North Dakota and Minnesota to change the course of events, to give a clear message along with the cooperation of Canada that resulted in the decision on the part of Washington.

In doing this, we were conscious of not just the present generation and the immediate generations, but generations to come because as was pointed out to us in the discussions in regard to the proposed site, that we might get by for the next few generations. There's a question, what did lie down the road insofar as our future generations would be concerned, the potential for accident, the risk that was involved, the importance of us not assuming a risk that ought not to be assumed, considering the nature of the area, the high degree of water system in our area and I am pleased that success was achieved, and I hope that this resolution can be supported by all 57 members in this Chamber so there's a clear unequivocal message delivered, and we continue ever vigilant insofar as the challenge here lying before us, for years to come.

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you very much, Madam Speaker.

I am pleased to rise and speak on this resolution. As a former Minister of the Environment I'm always interested in the various environmental issues that we, as a province, must face and the manner in which the government is attempting to deal with them.

I hadn't quite recognized the purpose of this resolution in its present form, given that the Federal Government of the United States had eliminated the prospect in the near future of any facility being located in the Red River Valley. I hadn't quite realized why the resolution was being put forward almost retroactively, one might say, on this matter. But now, as I see the Premier rising to speak on it, I have some understanding of just what is being attempted by his colleague.

The Premier speaking has given me now a better understanding that this resolution is intended to attempt to take greater political credit for the decision that was made by the United States Government, and to try and put Manitoba in a front-and-centre position as having been centrally involved in the whole process.

Madam Speaker, I guess I should have understood that because I know the Premier tried to make this a major issue during the election campaign, in fact, referred to it many, many times as being a very significant issue that he wanted to pursue. He tried to sort of raise the profile of this issue during the election campaign by calling it to public attention on many occasions and then even went so far, Madam Speaker, as to convene a meeting here in Manitoba with the Governors, Perpich and a representative of Governor Sinner sitting down, I believe it was in this building, as a matter of fact . . .

HON. V. SCHROEDER: A meeting of New Democrats, Gary?

MR. G. FILMON: I'm sorry, did I say of New Democrats? The Minister of Industry, Trade and Technology is putting words in my mouth again.

He called this meeting of people during the campaign to try and raise his profile with respect to this issue and try and take some political credit for an office that they had set up. Madam Speaker, it was a very interesting thing, aside from the photograph that was in the newspaper of Governor Perpich asleep while the Premier was speaking, but aside from that there was a — (Interjection) — well, the Deputy Premier says he was meditating. He was meditating so deeply that he fell asleep.

But in any case, Madam Speaker . . .

HON. H. PAWLEY: You're insulting our friend from the other country.

MR. G. FILMON: No, I'm insulting the Premier as a matter of fact, because he was the one who was so boring, Madam Speaker.

Many times, Madam Speaker, the Premier has in some way suggested that he has broken new ground on this particular matter and I want to remind him that in 1981, when I was the Minister of the Environment, that we achieved an agreement with the authorities in Minnesota who, at that time, were considering locating a hazardous waste site very close to the Manitoba border in the United States, in the State of Minnesota.

We, through the good offices of the Department of the Environment and the officials at that time, established a relationship whereby we would be informed of all of the various different efforts that went into the potential of them locating a hazardous waste disposal site within the Red River Valley for the very same reasons. We believed that there was a potential, that being within the watershed, that some contaminants could be transmitted into Manitoba.

Madam Speaker, what I'm saying is that relationships between governments have been built in the past and will continue to be built in the future where there is good will between administrations, where administrations say, we have a common interest in this

respect. If there is going to be a location of a hazardous waste disposal facility that has the prospect of contamination of the Red River Valley, that's not only of interest to Minnesota, to North Dakota, that's of interest to Manitoba.

So we acted in that respect, and they were very, very cooperative in saying, yes, we will inform you. We will let you know so your officials can make representation in the State of Minnesota, which they did at that time. We will keep you informed as to all of the process of events that takes place, because we know you are concerned and we are equally concerned, and we can work together in a solution of this problem.

Similarly, Madam Speaker, with the same feeling of cooperation and of mutual concern, the Government of Canada was involved, and centrally involved. We know that the relationship between the American Government and the Canadian Government is not through the state and provincial government, it is government to government in the normal diplomatic sense that we have between the two governments of these countries.

That is why Joe Clark, as was referred to by the Premier, became involved and concerned and used his good offices to ensure that Canada's views were transmitted on behalf of Manitoba and the citizens of this country who reside in Manitoba. That sort of thing, Madam Speaker, happens because people who have mutually acceptable objectives, who have a common purpose, working together regardless of borders separating them in different jurisdictions, can and will exercise the cooperative powers that they have amongst them to solve the problem to the best effect of all the people involved. And that's what happened.

Madam Speaker, it did not happen because the Premier called a news conference; it did not happen because the Premier convened a meeting here in Manitoba; it did not happen because the Minister made a presentation at the meeting — (Interjection) — well, I see that the Minister of the Environment wants to take his own credit for it and he'll have an opportunity to speak after I'm finished. I'm sure he'll get up in the attempt to take his own credit when, quite frankly, very little is due.

Madam Speaker, the principle behind this is that we do not wish, nor should we in any way be obliged to look after somebody else's waste; whether it be nuclear, whether it be hazardous, whether it be any other waste and contamination of the environment. We should not have to look after theirs. But, Madam Speaker, having said that, that means that we don't want to accept the risks of something that does not benefit us.

That was true of Garrison and we said it before that, where Garrison was going to provide benefits to the people of North Dakota in terms of allowing them to have irrigation water that they said they desperately needed and we believed that.

The fact of the matter was that in providing that irrigation for the people of North Dakota, it should not have resulted in any potential contamination to Manitoba's waters. We bore no benefits from the project and we absolutely should not have borne the risks of contamination and that is true of this nuclear disposal or storage facility that was being contemplated in Minnesota and that's the reason why we had an absolutely sound argument.

That's the reason why everybody agreed on this particular item, whether it be Federal Government, Manitoba Government, Minnesota, North Dakota or anybody else who examined the matter and that's, I think, an attitude that will enable us to win arguments with other jurisdictions on environmental matters again in future because we're on the right track, on solid footing, and I don't think anybody will disagree or quarrel with us on that matter.

Madam Speaker, there is a continuing development of technology with respect to nuclear facilities, nuclear energy, nuclear technology, for use and benefit of the people of this earth that we live on and that is happening all over. Everywhere in North America people are concerned about the eventual disposal of this nuclear material. We have some of it in Manitoba. As the Premier said, most of it is of a low-level radioactivity but we have it in our hospitals. We have it in our hospitals; the Premier may not be aware of it, but through the course of radiation treatment for cancer, through the course of radioactive isotopes that are used as tracers in various medical actions that are undertaken in our hospitals; those things happen through television, the Minister of Urban Affairs says.

We have it as well in Pinawa at the Whiteshell Nuclear Research Establishment in which they are developing all forms of, obviously non-weaponry, but of peaceful technology for the betterment of many people in this country of ours and throughout the planet. I'm sure that the Premier is aware of the development of the slowpoke reactor and Manitoba's role in that and the potential that it has to provide an energy source to remote communities that would be far more beneficial, far less costly, and far more practical than other methods that are available to them right now.

Madam Speaker, all of these things that are being done and the people of Pinawa, I would hope that the members opposite would be concerned about the people of Pinawa and their views on these issues. I was out at Pinawa last Saturday at their annual birthday celebration. I spoke to them, as I had during the election campaign, as I had last August when I visited WNRE and talked to them about all of the ideas that they have for the development of the peaceful use of nuclear technology. They are working, and hundreds of people employed in a major community there, based upon their ability to deal rationally, to deal safely, with the development of nuclear technology.

All of these things are important and I would hope that the Premier would undertake to ensure that he's aware of them because I know that the people in Pinawa were concerned that there wasn't one representative of this government at their celebration last Saturday. They feel that this government has done things that have cast a doubt as to whether or not there is a place in Manitoba for Pinawa and the work that's being done there. But we can't put our head in the sand. If we are producing and dealing with nuclear material, then we have an obligation to work towards the safe disposal of that material.

We are safely storing, in Pinawa, nuclear material that has been used in Pinawa. I don't know if the Premier is aware of that. We are storing that material today. We can't just wipe out everything off the face of this province and say, we'll have nothing to do with the storage of nuclear material, when in Pinawa today there

is that material; in our hospitals there is that material and when they are developing the technology for the future betterment of the people of Canada and of people of Manitoba in that establishment.

If, indeed, the development of research technology for the disposal shows that the Precambrian Shield is the safest place in the whole world to store the nuclear material that is being produced in Canada; and they develop an ironclad fail-safe method of storing it in the Precambrian Shield; then why would we say that we'll have none of it? Why would we rather it be stored in a less safe place somewhere adjacent to us that carries the prospect of serious accidents for the future when we could develop an absolute ironclad fail-safe place within the Precambrian Shield in our province? Why would we take that attitude, Madam Speaker, I don't understand it.

This Premier and his government have their head in the sand when they say that there will be absolutely no way that we will store any nuclear waste anywhere in this province of ours. Despite the technology, despite the development of the materials here in Manitoba at Pinawa, despite all of those things, we are going to say no, no, a thousand times no? Madam Speaker, that doesn't make sense.

So, Madam Speaker, when we address this resolution, we can acknowledge together, I believe, that we are glad that there is no longer the prospect of a nuclear storage facility being developed in the Red River Valley, but I don't think the other aspects of it, that give the head-in-the-sand mentality, should be supported because they aren't fair to the people of Pinawa and they aren't fair to the people of this province.

MADAM SPEAKER: The Honourable Minister of the Environment.

HON. G. LECUYER: Thank you, Madam Speaker.

I've heard the Leader of the House for the Opposition say, call it 5:30 and in view of the fact that it is indeed five minutes before the normal adjournment time, maybe that is the wish of the members to do so. If that's the case, I'm prepared to go along with that.

MADAM SPEAKER: Is it the will of the House to call it 5:30 p.m.? (Agreed)

The hour being 5:30 p.m., then I am leaving the Chair with the understanding that the House will reconvene at 8:00 p.m. in Committee of Supply.